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COMPANY and AMERICAN GUARANTEE & LIABILITY
9 COMPANY

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA- SAN JOSE DIVISION
12

13 ZURICH AMERICAN INSURANCE
14 COMPANY; AMERICAN
GUARANTEE & LIABILITY
15 COMPANY,

16 Plaintiffs,

17 v.

18 OMNICELL, INC. and DOES 1-10,
19 inclusive

20 Defendants.
21
22
23

Case No.

COMPLAINT FOR:

1. DECLARATORY RELIEF (NO DUTY TO DEFEND)
2. DECLARATORY RELIEF (NO DUTY TO INDEMNIFY)
3. DECLARATORY RELIEF (NO DUTY TO DEFEND)
4. DECLARATORY RELIEF (NO DUTY TO INDEMNIFY)
5. REIMBURSEMENT
6. UNJUST ENRICHMENT

24 COME NOW Plaintiffs, ZURICH AMERICAN INSURANCE COMPANY
25 and AMERICAN GUARANTEE & LIABILITY COMPANY ("Zurich and
26 American Guarantee"), by their undersigned counsel, and state as follows:
27
28

PARTIES

1. Plaintiff, ZURICH AMERICAN INSURANCE COMPANY ("Zurich American") currently is, and was at all times relevant herein, a corporation duly organized under the laws of the State of New York with its principal place of business in Schaumburg, Illinois.

2. Plaintiff, AMERICAN GUARANTEE & LIABILITY COMPANY ("American Guarantee") currently is and at all times relevant herein was a corporation duly organized under the laws of the state of New York with its principal place of business in Schaumburg, Illinois. Zurich American and American Guarantee are sometimes referred to collectively as "plaintiffs."

3. Defendant, Omnicell, Inc., is a Delaware corporation with its principal place of business in Mountain View, California.

4. Defendants DOES 1 through 10, inclusive, are sued herein by such fictitious names because plaintiffs are unaware of the true names and capacities of said DOE defendants. Plaintiffs will amend this Complaint to reflect the true names when the same are ascertained. Plaintiffs are informed and believe, and based thereon alleges, that said DOE defendants are responsible for the acts, events and circumstances alleged herein, or are interested parties to this action.

JURISDICTION AND VENUE

5. This Court has jurisdiction over the subject matter of this action pursuant to 28 USC section 2201 as an actual controversy exists within the Court's jurisdiction that merits relief. This Court has jurisdiction pursuant to 28 USC section 1332(a) as the parties' citizenship is diverse and the amount in controversy exceeds \$75,000, exclusive of interest and costs.

6. Complete diversity exists between plaintiffs and defendant as, at all times relevant herein, plaintiffs, were and are citizens of the states of New York and Illinois; and defendant was at all times relevant herein, and is a citizen of the states of California and Delaware.

1 7. This Court has personal jurisdiction over Defendant, and each of them,
2 as defendant is a resident of this judicial district and Defendant has purposely
3 availed itself of the privilege of conducting activities within California and resides
4 within the State of California.

5 8. Venue is proper in this judicial district pursuant to 28 USC section
6 1391(a)(2) as the defendant is a resident of this judicial district.

7 9. Defendant herein is seeking coverage for defense and indemnity of the
8 Underlying Action (*infra*) from the insurance policies issued to defendant by
9 plaintiffs. As such, a substantial part of the events giving rise to these claims
10 occurred within this venue. Venue is also proper in this judicial district pursuant to
11 28 USC section 1391(c) as the defendant, Omnicell, is a corporation who is a
12 resident in this judicial district.

13 **FACTUAL BACKGROUND**

14 **The Insurance Policies**

15 10. Plaintiff Zurich American issued a series of primary Commercial
16 General Liability (“CGL”) policies to Defendant, Omnicell, which are identified as
17 Policy Nos.: CPO 5912284-00 (effective 09/01/2012 to 09/01/2013); CPO
18 5912284-01 (effective 09/01/2013 to 09/01/2014); CPO 5912284-02 (effective
19 09/01/2014 to 09/01/2015); and CPO 5912284-03 (effective 09/01/2015 to
20 09/01/2016) (collectively referred to the “Zurich American policies.”) The Zurich
21 American policies are attached as Exhibits A- D.

22 11. Plaintiff American Guarantee issued a series of Commercial Umbrella
23 Liability Policies to defendant, Omnicell, which are identified as Policy Nos.:
24 UMB 5912288-00 (effective 09/01/2012 to 09/01/2013); AUC 5912288-01
25 (effective 09/01/2013 to 09/01/2014); AUC 5912288-02 (effective 09/01/2014 to
26 09/01/2015); and AUC 5912288-03, effective 09/01/2015 to 09/01/2016
27 (collectively referred to as the ‘American Guarantee policies’) The American
28 Guarantee policies are attached as Exhibits E-H.

The Underlying Action Against Omnicell

12. On June 6, 2018, underlying claimant, Yana Mazya, filed a class action complaint against Omnicell, among others, entitled *Mazya, etc. v. Northwestern Lake Fore Hospital, et al.* in the Circuit Court of Cook County, Illinois, Case No. 2018-CH 07161 (“Underlying Action.”) The complaint in the Underlying Action is attached as Exhibit I.

13. The complaint in the Underlying Action states in part that it was filed “to redress and curtail Defendants’ unlawful collection, use, storage, and disclosure of Plaintiff’s sensitive biometric data.”

14. The Underlying Action alleges that when the underlying defendant employers hire an employee, the employee is enrolled in an employee database which the employers use to monitor authorized access to stored materials (e.g. medications) by employees. The Underlying Action alleges that the employees are required to have their fingerprints scanned by a biometric device to be able to gain authorized access to stored materials.

15. The Underlying Action alleges that the underlying defendants, including Omnicell, have violated The Illinois Biometric Information Privacy Act (740 ILCS 14/1 et seq. “BIPA”), which regulates the collection and storage of Illinois citizen’s biometrics, such as fingerprints.

16. The Underlying action alleges that Omnicell violates the BIPA by failing to inform the employees of the purposes and duration for which they collect the data; failing to obtain written releases from the employees before collecting their fingerprints; and failing to provide the employees with a written, publicly available policy identifying the data retention schedule and guidelines for permanently destroying the fingerprints.

17. The named plaintiff in the Underlying Action on behalf of herself and the class, seeks (1) declaratory relief, (2) injunctive and equitable relief (orders requiring defendants to protect the interests of plaintiff and the class and to handle

1 biometric information in compliance with BIPA), (3) statutory damages (\$1,000 or
2 actual damages, whichever is greater, for negligent violations, and \$5,000 or actual
3 damages, whichever is greater, for intentional or reckless violations), (4)
4 reasonable attorneys' fees and costs and litigation expenses, and (5) pre- and post-
5 judgment interest.

6 18. Omnicell has tendered the defense and indemnity of the Underlying
7 Action to Zurich American and American Guarantee.

8 **The Coverage Dispute**

9 19. By way of this complaint, the plaintiffs seek a declaration that the
10 claims against the insured Omnicell in the Underling Action are not covered and/or
11 are wholly excluded by the terms of the policies plaintiffs issued to Omnicell
12 which exclude coverage for claims arising from statutory violations. As the
13 Underlying Action arises from the alleged violation of a statute, plaintiffs assert the
14 policies provide no coverage for the Underlying Action.

15 20. The 9th Circuit Court of Appeals in the case *Big 5 Sporting Goods*
16 *Corp. v. Zurich American Ins. Co.* (C.D.Cal. 2013) 957 F.Supp.2d 1135, affirmed
17 (9th Cir. 2015), 635 Fed. Appx. 351, held that an insurer owed no duty to defend a
18 class action suit based on statutory violations for gathering of personal data as the
19 policies at issue contained exclusions for claims arising out of statutory violations.
20 Similarly here, the Underlying Action alleges statutory violations and the policies
21 at issue exclude coverage for suits based on statutory violations.

22 21. The Zurich American policies contain exclusions which exclude
23 coverage for claims arising from statutory violations.

24 22. Zurich American Policy Nos. CPO 5912284-00 and CPO 5912284-01
25 contain an endorsement entitled "Collection or Distribution of Material or
26 Information in Violation of Law Exclusion" on form U-GL-1517-A CW (01/12).
27 This endorsement states, in pertinent part:
28

1 A. Exclusion q. Distribution Of Material In Violation Of Statutes
2 of Paragraph 2. Exclusions of Section I - Coverage A – Bodily
3 Injury And Property Damage Liability is replaced by the
4 following:

5 2. Exclusions

6 This insurance does not apply to:

7 q. Collection Or Distribution Of Material Or
8 Information In Violation Of Law

9 "Bodily injury" or "property damage" directly or
10 indirectly arising out of or based upon any action
11 or omission that violates or is alleged to violate:

12 ...

13 (4) Any federal, state or local statute, ordinance
14 or regulation, other than the TCPA, CAN-
15 SPAM Act of 2003 or FCRA and their
16 amendments and additions, or any other
17 legal liability, at common law or otherwise,
18 that addresses, prohibits, or limits the
19 printing, dissemination, disposal, collecting,
20 recording, use of, sending, transmitting,
21 communicating or distribution of material or
22 information.

23 B. Exclusion p. Distribution Of Material In Violation Of Statutes
24 of Paragraph 2. Exclusions of Section I - Coverage B - Personal
25 And Advertising Injury Liability is replaced by the following:

26 2. Exclusions

27 This insurance does not apply to:

28 p. Collection Or Distribution Of Material Or
Information In Violation Of Law

"Personal and advertising injury" directly or
indirectly arising out of or based upon any action
or omission that violates or is alleged to violate:

...

(4) Any federal, state or local statute, ordinance
or regulation, other than the TCPA, CAN-
SPAM Act of 2003 or FCRA and their
amendments and additions, or any other
legal liability, at common law or otherwise,
that addresses, prohibits, or limits the
printing, dissemination, disposal, collecting,
recording, use of, sending, transmitting,

communicating or distribution of material or information.

23. Zurich American Policy Nos. CPO 5912284-02 and CPO 5912284-03 contain an endorsement entitled "Recording And Distribution Of Material Or Information In Violation of Law Exclusion" on form U-GL-1517-B CW (04/13) states in part:

A. Exclusion q. Recording And Distribution Of Material In Violation Of Law of Paragraph 2. Exclusions of Section I - Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording and Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

...

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

B. Exclusion p. Recording And Distribution Of Material In Violation Of Law of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

...

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

24. Zurich American Policy No. CPO 5912284-03 contains an endorsement entitled "Exclusion – Access or Disclosure of Confidential or Personal Information and Data –Related Liability – with Limited Bodily Injury Exception" on form CG 21 06 05 14 which states in part:

- A. Exclusion 2.p. of Section I – Coverage A –Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

...

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

- Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

25. Each of the American Guarantee excess policies also contain an endorsement entitled "Personal and Advertising Injury Follow Form endorsement" on form U-UMB-217-A CW (7/99) which states:

Under Coverage B only, this policy does not apply to any liability, damage, loss, cost or expense arising out of any personal and advertising injury offense.

26. "Personal and advertising injury" is defined in the American Guarantee policies as:

12. Personal and advertising injury means injury, including consequential bodily injury, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your advertisement;
- g. Infringement upon another's copyright, trade dress or slogan in your advertisement; or
- h. Discrimination (unless insurance thereof is prohibited by law), not arising out of or related to employment practices.

Personal and advertising injury also means mental anguish, mental injury, humiliation, or shock, if directly resulting from an offense listed in Items 12.a. through 12.h. above.

27. American Guarantee excess policy No. UMB 5912288-00 contains the following exclusion:

- A. Under Coverage A and Coverage B, this policy does not apply to any liability, damages, loss, cost or expense:

VIOLATION OF STATUTES

- 6. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:

...

- d. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

28. American Guarantee excess policy No. AUC 5912288-01 contains an endorsement entitled "Exclusion - Collection or Distribution of Material or Information in Violation of Law endorsement" on form U-UMB-525-E CW (01/12) which states, in pertinent part:

1
2 Exclusion A. 6. VIOLATION OF STATUTES under
3 SECTION IV. EXCLUSIONS is deleted and replaced by the
4 following:

5 Under Coverage A and Coverage B, this policy does not apply
6 to any liability, damage, loss, cost or expense:

7 COLLECTION OR DISTRIBUTION OF MATERIAL OR
8 INFORMATION IN VIOLATION OF LAW

9 6. Directly or indirectly arising out of or based upon any
10 action or omission that violates or is alleged to violate:

11 . . .

12 d. Any federal, state or local statute, ordinance, or
13 regulation, other than the TCPA, CAN-SPAM Act
14 of 2003 or FCRA, and their amendments and
15 additions, or any other legal liability, at common
16 law or otherwise, that addresses, prohibits, or
17 limits the printing, dissemination, disposal,
18 collecting, recording, use of, sending, transmitting,
19 communicating or distribution of material or
20 information.

21 29. American Guarantee Policy Nos. AUC 5912288-02 and AUC
22 5912288-03 contain an endorsement entitled "Exclusion - Recording And
23 Distribution Of Material Or Information In Violation Of Law" on form U-UMB-
24 525-F CW (01/14) which states, in pertinent part:

25 Under Section IV. Exclusions, paragraph A. 6. Violation Of
26 Statutes is replaced by the following:

27 RECORDING AND DISTRIBUTION OF MATERIAL OR
28 INFORMATION IN VIOLATION OF LAW

6. Directly or indirectly arising out of or based upon any
action or omission that violates or is alleged to violate:

. . .

d. Any federal, state or local statute, ordinance, or
regulation, other than the TCPA, CAN-SPAM
Act of 2003 or FCRA, and their amendments
and additions, or any other legal liability, at
common law or otherwise, that addresses,
prohibits, or limits the printing, dissemination,

disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

30. Coverage for the Underling Action is excluded under the Zurich American and American Guarantee policies pursuant to the terms and conditions of the policies, including but not limited to the provision set forth above.

FIRST CAUSE OF ACTION

Declaratory Relief – (No Duty to Defend)

(Zurich American Against Omnicell)

31. Plaintiffs reallege all previous paragraphs and incorporate each herein as though fully stated.

32. The Underlying Action arises from and seeks damages pursuant to alleged violations of “The Illinois Biometric Information Privacy Act” (740 ILCS 14/1 et seq. “BIPA.”)

33. The Zurich American policies do not cover and/or exclude coverage for claims and suits which are based on violations of statutes, such as violations of the BIPA.

34. As there is no coverage under the Zurich American policies for the Underlying Action, Zurich American owes no duty to defend Omnicell in the Underlying Action.

35. Zurich American is informed and believes that defendants dispute Zurich American’s assertion that it owes no duty to defend Omnicell in the Underlying Action.

36. An actual controversy exists between Zurich American and defendants regarding the duties and obligations of the parties under the Zurich American policies.

37. Accordingly, Zurich American requests a declaration from this court that it owes no duty to defend Omnicell in the Underlying Action.

///

SECOND CAUSE OF ACTION

Declaratory Relief – (No Duty to Indemnify)

(Zurich American Against Omnicell)

38. Plaintiffs reallege all previous paragraphs and incorporate each herein as though fully stated.

39. The Underlying Action arises from and seeks damages pursuant to alleged violations of “The Illinois Biometric Information Privacy Act” (740 ILCS 14/1 et seq. “BIPA.”)

40. The Zurich American policies do not cover and/or exclude coverage for claims and suits which are based on violations of statutes, such as violations of the BIPA.

41. As there is no coverage under the Zurich American policies for the Underlying Action, Zurich American owes no duty to indemnify Omnicell in the Underlying Action.

42. Zurich American is informed and believes that defendants dispute Zurich American’s assertion it owes no duty to indemnify Omnicell in Underlying Action.

43. An actual controversy exists between Zurich American and defendants regarding the duties and obligations of the parties under the Zurich American policies.

44. Accordingly, Zurich American requests a declaration from this court that it owes no duty to indemnify Omnicell for the Underlying Action.

THIRD CAUSE OF ACTION

Declaratory Relief – (No Duty to Defend)

(American Guarantee Against Omnicell)

45. Plaintiffs reallege all previous paragraphs and incorporate each herein as though fully stated.

46. The Underlying Action arises from and seeks damages pursuant to

1 alleged violations of “The Illinois Biometric Information Privacy Act” (740 ILCS
2 14/1 et seq. “BIPA.”)

3 47. The American Guarantee policies do not cover and/or exclude
4 coverage for claims and suits which are based on violations of statutes such as
5 violations of the BIPA.

6 48. As there is no coverage under the American Guarantee policies for
7 the Underlying Action, American Guarantee owes no duty to defend Omnicell in
8 the Underlying Action.

9 49. American Guarantee is informed and believes that defendants dispute
10 American Guarantee’s assertion that it owes no duty to defend Omnicell in the
11 Underlying Action.

12 50. An actual controversy exists between American Guarantee and
13 defendants regarding the duties and obligations of the parties under the American
14 Guarantee policies.

15 51. Accordingly, American Guarantee requests a declaration from this
16 court that it owes no duty to defend Omnicell in the Underlying Action.

17 **FORTH CAUSE OF ACTION**

18 **Declaratory Relief – (No Duty to Indemnify)**

19 **(American Guarantee Against Omnicell)**

20 52. Plaintiffs reallege all previous paragraphs and incorporate each herein
21 as though fully stated.

22 53. The Underlying Action arises from and seeks damages pursuant to
23 alleged violations of “The Illinois Biometric Information Privacy Act” (740 ILCS
24 14/1 et seq. “BIPA.”)

25 54. The American Guarantee policies do not cover and/or exclude
26 coverage for claims and suits which are based on violations of statutes such as
27 violations of the BIPA.

28 55. As there is no coverage under the American Guarantee policies for

1 the Underlying Action, American Guarantee owes no duty to indemnify Omnicell
2 in the Underlying Action.

3 56. American Guarantee is informed and believes that defendants dispute
4 American Guarantee's assertion that it owes no duty to indemnify Omnicell in the
5 Underlying Action.

6 57. An actual controversy exists between American Guarantee and
7 defendants regarding the duties and obligations of the parties under the American
8 Guarantee policies.

9 58. Accordingly, American Guarantee requests a declaration from this
10 court that it owes no duty to indemnify Omnicell in the Underlying Action.

11 **FIFTH CAUSE OF ACTION**

12 **Reimbursement**

13 **(Zurich American Against Omnicell)**

14 59. Plaintiffs reallege and incorporate by this reference all preceding
15 paragraphs above, in their entirety, as though fully set forth herein.

16 60. The Underlying Action consists of causes of action and damages that
17 were never potentially covered under the Zurich American policies.

18 61. Zurich American will incur attorney fees and other related costs for
19 the defense of the uncovered claims in the Underlying Action.

20 62. Under governing law, and particularly the California Supreme Court's
21 decisions in *Buss v. Superior Court* (1997) 16 Cal. 4th 35 and *Scottsdale Ins. Co. v.*
22 *MV Transportation*, (2005) 36 Cal. 4th 643, Zurich American is entitled to recover
23 from Omnicell the amounts it expends in the defense of uncovered claims.

24 63. Zurich American seeks an award of defense fees and costs in an
25 amount to be proven at trial.

26 ///

27 ///

28 ///

SIXTH CAUSE OF ACTION

Unjust Enrichment

(Zurich American Against Omnicell)

64. Plaintiffs reallege and incorporate by this reference all preceding paragraphs above, in their entirety, as though fully set forth herein.

65. Zurich American has conferred a substantial benefit upon Omnicell by paying to defend uncovered claims and damages in the Underlying Action.

66. Omnicell was unjustly enriched by Zurich American's payment of defense fees and costs to defend uncovered claims and damages in the Underlying Action.

67. It would be inequitable and unjust for Omnicell to continue to retain the amounts paid by, and benefits received from, Zurich American.

68. Accordingly, Zurich American seeks an award of all the benefits that have been conferred upon Omnicell and by which Omnicell was unjustly enriched in an amount to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFFS pray for relief as follows:

A. As to the First Cause of Action, Zurich American requests a declaration from the court that it owes no duty to defend Omnicell in the Underlying Action.

B. As to the Second Cause of Action, Zurich American requests a declaration from the court that it owes no duty to indemnify Omnicell in the Underlying Action.

C. As to the Third Cause of Action, American Guarantee requests a declaration from the court that it owes no duty to defend Omnicell in the Underlying Action.

D. As to the Fourth Cause of Action, American Guarantee requests a declaration from the court that it owes no duty to indemnify Omnicell in the

Underlying Action.

E. As to the Fifth Cause of Action, Zurich American requests judgment in the amount of defense fees and costs incurred to defend the Underlying Action.

F. As to the Sixth Cause of Action, Zurich American requests a judgment in the amount of defense fees and costs incurred to defend the Underlying Action.

G. Costs of suit.

H. And for such other and further relief as this Court may deem just and proper.

DATED: August 30, 2018

SELMAN BREITMAN LLP

By: /s/ Eldon S. Edson

SHERYL LEICHENGER

ELDON S. EDSON

LAURA R. RAMOS

Attorneys for Plaintiffs, ZURICH
AMERICAN INSURANCE COMPANY
and AMERICAN GUARANTEE &
LIABILITY COMPANY

EXHIBIT A

MARSH RISK & INSURANCE SERVS
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

**ZURICH****Exclusion of Certified Acts of Terrorism**

Insureds Name	Policy Number	Effective Date	Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

COMMERCIAL PROPERTY PORTFOLIO COVERAGE PART

SCHEDULE*

The exception relating to certain fire losses applies to property located in the following state(s), if covered by this insurance:

State(s)
CALIFORNIA, GEORGIA, HAWAII, IOWA, ILLINOIS, MAINE, MASSACHUSETTS,
MISSOURI, NEW JERSEY, NEW YORK, NORTH CAROLINA, OREGON, RHODE
ISLAND, VIRGIN ISLANDS, WASHINGTON,
WEST VIRGINIA AND WISCONSIN

*Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

A. Exclusion of Certified Acts of Terrorism

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism", including action in hindering or defending against an actual or expected "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

B. Exception Relating to Fire Losses Applicable to Property Located in Certain States

If the "certified act of terrorism" results in fire, we will pay for the direct physical loss or damage to Covered Property caused by that fire. This exception does not apply to any other loss or damage including but not limited to business income, extra expense, any additional coverage and any coverage extension.

C. Definition

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and

4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

D. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

E. Cap on Losses From Certified Acts of Terrorism

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.



CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

This endorsement applies to all Coverage Parts included in this policy.

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

Disclosure Statement



It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

N/A - TRIA EXCLUDED

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

**ZURICH****COMMON POLICY DECLARATIONS**

Policy Number CPO 5912284-00
 Named Insured and Mailing Address
 OMNICELL INC.
 1201 CHARLESTON RD
 MOUNTAIN VIEW CA 94043-1337

Renewal of Number NEW
 Producer and Mailing Address
 MARSH RISK & INSURANCE SERVS
 1732 N 1ST ST STE 400
 SAN JOSE CA 95112-4508

Producer Code 70074-000

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M.; Coverage ends 09-01-2013 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION	PREMIUM	\$	120,693.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
GENERAL LIABILITY COVERAGE	PREMIUM	\$	68,641.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
BUSINESS AUTOMOBILE	PREMIUM	\$	70,456.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
CA-AUTO SPECIAL PURPOSE SURCHARGE		\$	5.40
STATE FIRE MARSHALL REG ASSESS SURCHG		\$	70.48
FL-DEPT OF REVENUE SURCHARGE		\$	4.00
FL-HURRICANE CAT FUND ASSESSMENT		\$	934.98
2005 FL CITIZENS EMERGENCY SURCHARGE		\$	704.82

THIS PREMIUM MAY BE SUBJECT TO AUDIT.

This premium does not include Taxes and Surcharges.

TOTAL \$ 259,790.00

SEE INSTALLMENT SCHEDULE

Taxes and Surcharges

TOTAL \$ 1,719.68

SEE INSTALLMENT SCHEDULE

Form(s) and Endorsement(s) made a part of this policy at time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS.**

Countersigned this day of

Authorized Representative

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.



Florida Hurricane Catastrophe Fund (FHCF) Emergency Assessment - 2005 Hurricanes

The Florida legislature created the FHCF in order to provide capacity to the personal and commercial residential property insurance market. In accordance with Florida law, deficits of the FHCF are funded through emergency assessments on direct premiums for certain property and casualty lines of business in the state of Florida.

The current FHCF emergency assessment is for the purpose of financing the FHCF's shortfall from the 2005 hurricane season. In order to fund this deficit, policies effective on or after January 1, 2011 are subject to an emergency assessment of 1.30% of premium for the following lines of business:

Fire, Allied Lines, Multi-Peril Crop, Farmowners Multi-Peril, Homeowners Multi-Peril, Commercial Multi-Peril (liability and non-liability), Mortgage Guaranty, Ocean Marine, Inland Marine, Financial Guaranty, Earthquake, Other Liability, Products Liability, Private Passenger Auto No-Fault, Other Private Passenger Auto Liability, Commercial Auto No-Fault, Other Commercial Auto Liability, Private Passenger Auto Physical Damage, Commercial Auto Physical Damage, Aircraft, Fidelity, Surety, Burglary and Theft, Boiler and Machinery, Credit, Warranty, and Aggregate Write Ins for Other Lines of Insurance.

The FHCF emergency assessment applicable to this policy is not subject to premium taxes, fees, or commissions.

Policy Number
CPO 5912284-00

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12

12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-681-B	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
U-GU-767-A CW	01-08	CAP ON LOSSES FROM CERTIFIED ACTS OF TER
U-GU-630-C	12-07	DISCLOSURE OF IMPORTANT INFO REL TO TRIA
U-GU-D-365-A	03-94	POLICY COMMON DECLARATIONS
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-406-A	07-94	INSTALLMENT PREMIUM SCHEDULE
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 02 70	08-11	CA CHANGES - CANCELLATION & NONRENEWAL
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONREN
IL 00 03	09-08	CALCULATION OF PREMIUM
IL 01 12	06-10	FL CHGS-MEDIATION/APPRL (CMML RES PROP)

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0101	03-11	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	03-11	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	03-11	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	03-11	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	04-09	ADDITIONAL COVERAGES FORM
PPP-0112	03-11	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	03-11	FINE ARTS COVERAGE FORM
PPP-0115	06-06	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	03-11	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-11	TRANSIT COVERAGE FORM
PPP-0130	03-11	BUS INC CVG FORM (EXCL EXTRA EXPENSE)
PPP-0219	03-11	NAMED STORM OCCURRENCE -- DD & TE DED
PPP-0301	04-09	DEP PREM BI CVG -- SCHED LIMITS & LOCS
PPP-0302	06-06	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-0310	06-06	FLOOD COVERAGE
PPP-0321	04-09	OFF-PREM SERVICE INTERRUPTION--TE
PPP-0132	04-09	EXTRA EXPENSE COVERAGE FORM
PPP-1041	03-11	CALIFORNIA CHANGES
PPP-1091	09-08	FLORIDA CHANGES
CP 02 99	11-85	CANCELLATION CHANGES

GENERAL LIABILITY FORMS AND ENDORSEMENTS

U-GL-1369-A	09-08	GL SUPPLEMENTAL COVERAGE ENDT TECHNOLOGY
U-GL-1370-A	09-08	GL SUPPLEMENTAL COV ENDT TECH QUICK REF
U-GL-1517-A CW	01-12	COLLCTN OR DISTRB OF MATRL OR INFO EXCL
U-GL-849-B CW	08-04	EMPLOYEE BENEFITS LIABILITY-CLAIMS MADE
U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-1113-A CW	10-02	COMM GENERAL LIABILITY COVERAGE SCHEDULE
U-GL-D-849-B CW	09-04	EMPLOYEE BENEFITS LIAB DEC - CLAIMS MADE
CG 00 01	12-07	COMMERCIAL GENERAL LIABILITY COV FORM
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED

U-GU-619-A CW (10/02)

Policy Number
CPO 5912284-00

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

CG 32 34	01-05	CALIFORNIA CHANGES
UGL850ACW	07-96	DEDUCTIBLE ENDORSEMENT CLAIMS-MADE
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 73	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM

AUTOMOBILE FORMS AND ENDORSEMENTS

U-CA-531-B	02-08	NOTICE REGARDING TERRORISM PREMIUM
U-CA-D-600B	06-10	BUSINESS AUTO DECLARATIONS
CA 00 01	03-10	BUSINESS AUTO COVERAGE FORM
CA 01 22	05-06	KANSAS CHANGES
CA 01 43	05-07	CALIFORNIA CHANGES
CA 21 30	11-08	IL UNINSURED MOTORISTS COVERAGE
CA 21 37	01-05	KS UNINSURED MOTORISTS COVERAGE
CA 21 38	11-08	IL UNDERINSURED MOTORISTS COV
CA 21 48	11-08	LA UM COVERAGE - BODILY INJURY
CA 21 53	03-06	IL UM COVERAGE PROPERTY DAMAGE
CA 21 54	09-09	CA UM COVERAGE - BODILY INJURY
CA 21 59	03-06	ALABAMA UM INSURANCE
CA 04 24	04-06	CA - AUTO MEDICAL PAYMENTS COVERAGE
CA 04 48	12-10	KANSAS COMMERCIAL AUTO COVERAGE CHANGES
U-CA-424-E CW	04-11	COVERAGE EXTENSION ENDORSEMENTS
U-CA-825A	03-11	WHO IS AN INSURED AMENDMENT - BROAD FORM
CA 99 03	03-06	AUTO MEDICAL PAYMENTS COVERAGE



Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amount shown below.

NAMED INSURED
OMNICELL INC.

POLICY NUMBER
CPO 5912284-00

PAYMENT DUE -----	STANDARD PREMIUM -----	TAXES PREPAID -----	TOTAL PREMIUM -----
09/01/12	\$ 103,925.00	\$ 1,719.68	\$ 105,644.68
12/01/12	\$ 51,955.00		\$ 51,955.00
03/01/13	\$ 51,955.00		\$ 51,955.00
06/01/13	\$ 51,955.00		\$ 51,955.00
TOTAL	\$ 259,790.00	\$ 1,719.68	\$ 261,509.68

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.

Policy Number
CPO 5912284-00

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	1201 CHARLESTON RD MOUNTAIN VIEW, CA 94043	
003	001	3661 BURWOOD DR WAUKEGAN, IL 60085	
004	001	443 DONELSON PIKE STE 200 NASHVILLE, TN 37214	
005	001	1710 LITTLE ORCHARD PKWY SAN JOSE, CA 95125	
006	001	2003 GANDY BLVD SAINT PETERSBURG, FL 33702	
007	001	21540 DRAKE RD STRONGSVILLE, OH 44149	
008	001	5501-A AIRPORT BLVD TAMPA, FL 33634	

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 02 70 08 11

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** Paragraphs **2.**, **3.** and **5.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

- a.** 10 days before the effective date of cancellation if we cancel for:
 - (1)** Nonpayment of premium; or
 - (2)** Discovery of fraud by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

- a.** If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:
 - (1)** Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.
 - (2)** Discovery of fraud or material misrepresentation by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.
 - (3)** A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
 - (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
 - (6) A determination by the Commissioner of Insurance that the:
 - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
 - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
 - b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
 - 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The refund, if any, will be computed on a pro rata basis. However, the refund may be less than pro rata if we made a loan to you for the purpose of payment of premiums for this policy.
- The cancellation will be effective even if we have not made or offered a refund.

B. The following provision is added to the **Cancellation** Common Policy Condition:

7. Residential Property

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.
- b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

- c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (**c.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below.
- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.
- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
- (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
- (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.
3. We are not required to send notice of nonrenewal in the following situations:
- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b.** If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**
- c.** If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d.** If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e.** If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f.** If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.**, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

(1) Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

(2) Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3)** Activities or omissions by you which change or increase any hazard insured against;
- (4)** Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;
- (5)** Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

- (6) The insured's violation or breach of any policy terms or conditions; or
- (7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through (7) above.

B. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

- a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**
- b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
- c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.

- b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.
- c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.
- d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.
- e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.
- f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.
- b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.
- c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. The **Premiums** Common Policy Condition is replaced by the following:

Premiums

1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.

F. Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any other reason.

G. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.
2. We need not mail or deliver this notice if:
 - a. We or another company within our insurance group have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

IL 01 12 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal Condition**:

Mediation Or Appraisal

If we and you:

- A.** Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

- B.** Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or
2. Failed to notify you of your right to participate in the mediation program.



Important Notice to Florida Policyholders

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1400 American Lane
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS

1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 3

PREMISES ADDRESS

3661 BURWOOD DR
WAUKEGAN, IL 60085

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 4

PREMISES ADDRESS

443 DONELSON PIKE
STE 200
NASHVILLE, TN 37214

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 5

PREMISES ADDRESS

1710 LITTLE ORCHARD PKWY
SAN JOSE, CA 95125

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 6

PREMISES ADDRESS

2003 GANDY BLVD
SAINT PETERSBURG, FL 33702

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

DEDUCTIBLE

AMOUNT

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 950,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 7

PREMISES ADDRESS

21540 DRAKE RD
STRONGSVILLE, OH 44149

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 8

PREMISES ADDRESS

5501-A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

BLANKET LIMITS OF INSURANCE

PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE \$ 33,200,000

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all **"personal property"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"personal property"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"personal property"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE \$ 26,500,000

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of **"business income"** and **"extra expense"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"business income"** or **"extra expense"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"business income"** or **"extra expense"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE	
CIVIL AUTHORITY		
BUSINESS INCOME		30 DAYS
EXTRA EXPENSE		30 DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$	25,000 PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$	250,000 PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$	250,000 PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$	25,000 PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$	25,000 PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY		COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$	500,000 PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$	2,500 PER OCCURRENCE
DEFERRED PAYMENTS	\$	50,000 PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE
DEPENDENT BUSINESS INCOME--UNSCHEDULED \$ LOCATIONS	1,000,000 PER OCCURRENCE
ELECTRONIC VANDALISM	
BUSINESS INCOME	\$ 25,000 ANNUAL AGGREGATE
DIRECT DAMAGE	\$ 100,000 ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$ 25,000 PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME	COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME	UNLIMITED
EXTRA EXPENSE	\$ 25,000 PER PREMISES
FAIRS OR EXHIBITIONS	
BUSINESS INCOME	\$ 10,000 PER OCCURRENCE
PERSONAL PROPERTY	\$ 25,000 PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$ 250,000 PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS	COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS

POLICY NUMBER:

CPO 5912284-00

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE

LIMIT OF INSURANCE

INFLATION GUARD

PERSONAL PROPERTY

4 % ANNUAL

INGRESS/EGRESS

BUSINESS INCOME

30 DAYS

EXTRA EXPENSE

30 DAYS

LOCK AND KEY REPLACEMENT

\$ 25,000 PER PREMISES

MICROORGANISMS

\$ 50,000 ANNUAL AGGREGATE

MICROORGANISMS--BUSINESS INCOME

\$ 25,000 ANNUAL AGGREGATE

NEWLY ACQUIRED PREMISES

REAL PROPERTY

\$ 2,000,000 FOR 180 DAYS

PERSONAL PROPERTY

\$ 1,000,000 FOR 180 DAYS

BUSINESS INCOME

\$ 250,000 FOR 180 DAYS

EXTRA EXPENSE

\$ 25,000 FOR 180 DAYS

THE ABOVE LIMITS APPLY SEPERATELY TO EACH
NEWLY ACQUIRED PREMISES

NEWLY ACQUIRED PROPERTY

REAL PROPERTY

\$ 250,000 PER PREMISES FOR 180 DAYS

PERSONAL PROPERTY

\$ 250,000 PER PREMISES FOR 180 DAYS



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COVERAGE	LIMIT OF INSURANCE
OFF-PREMISES SERVICE INTERRUPTION--DIRECT DAMAGE	\$ 1,000,000 PER PREMISES
OFF-PREMISES SERVICE INTERRUPTION--BUSINESS INCOME AND EXTRA EXPENSE	\$ 1,000,000 PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS	\$ 250,000 PER PREMISES \$ 5,000 PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL--LAND AND WATER	\$ 50,000 ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY	180 DAYS
PROFESSIONAL FEES	\$ 25,000 PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES	
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	NOT COVERED
BUSINESS INCOME	NOT COVERED
EXTRA EXPENSE	NOT COVERED
REWARD PAYMENTS	\$ 25,000 PER OCCURRENCE



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COVERAGE	LIMIT OF INSURANCE	
SALESPERSON'S SAMPLES	\$	25,000 PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$	100,000 PER PREMISES
THEFT DAMAGE TO BUILDINGS		COVERED
UNREPORTED PREMISES		
REAL PROPERTY	\$	100,000 PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$	500,000 PER UNREPORTED PREMISES
EXTRA EXPENSE	\$	250,000 PER UNREPORTED PREMISES
BUSINESS INCOME	\$	250,000 PER UNREPORTED PREMISES



Commercial Property Coverage Part Declarations

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POLICY NUMBER:

CPO 5912284-00

MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE	LIMIT OF INSURANCE		
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$	500,000	PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS)--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
FINE ARTS	\$	25,000	PER PREMISES
FINE ARTS--AWAY FROM PREMISES	\$	25,000	PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY STOCK TO BE INSTALLED	\$	50,000	PER OCCURRENCE--INSTALLATION PREMISES
	\$	50,000	PER OCCURRENCE--TEMPORARY STORAGE LOCATION
	\$	50,000	PER OCCURRENCE--TRANSIT
TOOLS AND EQUIPMENT			
SCHEDULED EQUIPMENT			NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$	1,000	PER ANY ONE ITEM
	\$	50,000	PER OCCURRENCE
<p>Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.</p>			
ORIGINAL INFORMATION PROPERTY	\$	500,000	PER PREMISES
ORIGINAL INFORMATION PROPERTY--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

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Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE

LIMIT OF INSURANCE

TRANSIT

PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
BUSINESS INCOME	\$	10,000	PER OCCURRENCE

ZURICH AMERICAN INSURANCE COMPANY

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Commercial Property Coverage Part Declarations

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DEDUCTIBLES

CATASTROPHE PERIL DEDUCTIBLES

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by "**flood**" is subject to separate deductible amounts. The deductibles applicable to "**flood**" are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Flood coverage applies to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

WIND AND HAIL DEDUCTIBLES

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Wind and Hail Deductibles apply to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

APPLICATION OF MULTIPLE DEDUCTIBLES

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under "**time element coverage**". This provision does not apply to Covered Property and "**time element coverage**" for covered loss or damage due to "**earth movement**".



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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CATASTROPHE COVERAGE--LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those "**premises**" that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at "**reported unscheduled premises**", those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMIT OF INSURANCE AND DEDUCTIBLES

FLOOD

PREMISES

SEE SUMMARY OF PREMISES SECTION

OCCURRENCE

\$ 1,000,000

ANNUAL AGGREGATE

\$ 1,000,000

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION

WIND AND HAIL--DIRECT DAMAGE AND TIME

ELEMENT

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION



Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a.** Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b.** Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and visa versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. However, this provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**, sprinkler leakage as a result of **"earth movement"**, **"flood"**, **"hamed storm"**, or wind and hail.

Loss or damage to Covered Property caused by **"earth movement"**, sprinkler leakage as the result of **"earth movement"**, **"flood"**, **"hamed storm"**, and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Sprinkler Leakage--Earth Movement Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.


ZURICH

Commercial Property Conditions

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ZURICH

Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage, including a description of the property involved.
- c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **"covered cause of loss"**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.

- g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, **"member"**, director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

- 1. All of its terms have been fully complied with; and

2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:

- a. Pay the amount of the loss or damage;
- b. Pay the cost of repairing or replacing the lost or damaged property;
- c. Take all or any part of the property at an agreed or appraised value; or
- d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. If we elect to exercise option 1.c. with respect to any branded or labeled **"merchandise"** or **"finished stock"**, you may:

- a. Stamp salvage on the **"merchandise"** or **"finished stock"**, or its containers, if the stamp will not physically damage the **"merchandise"** or **"finished stock"**, or
- b. Remove the brands or labels, if doing so will not physically damage the **"merchandise"** or **"finished stock"**. You must relabel the **"merchandise"** or **"finished stock"**, or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.

3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.

7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to "**personal property of others**" may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.
3. When this Commercial Property Coverage Part provides coverage for property in transit, and the property is being transported by an aircraft, the coverage territory is extended to anywhere in the world for that property while in transit, as long as either the origin or destination is included in 2. above and neither the origin nor destination is in any country upon which the United States government or Canadian government has imposed sanctions, embargoes, or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:

- a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
- a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be **"suspended equipment"** when the property is found to be in, or exposed to, a dangerous condition, provided we have:

1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as **"suspended equipment"**; and
2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of **"suspended equipment"** can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of **"suspended equipment"** will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of **"suspended equipment"** will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured under this Commercial Property Coverage Part;
 - b. A business firm owned or controlled by you;

- c. A business firm, or an individual, that owns or controls you; or
- d. Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

1. We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
2. We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
3. We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**; plus
 - b. **"Continuing expenses"**.

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6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
- b. Seasonal activity planned in advance;
- c. Schedule delays due to weather; or
- d. Labor actions beyond your control.

7. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.

8. **"Continuing expenses"** means:

- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
- b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.

"Continuing expenses" does not mean:

- a. **"Extra expense"**;
- b. Expediting expense; or
- c. **"Research and development continuing expenses"**;
- d. Depreciation of **"stock"**, plant, or machinery damaged by a **"covered cause of loss"**; or
- e. Bad debts.

9. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

10. **"Contractor's equipment"** means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,

owned by you or owned by others in your care, custody, or control.

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- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. **'Contractor's employees' property'**; or
- e. Recreational watercraft.

11. **'Contributing locations'** means locations owned and operated by others who:

- a. You depend on to deliver materials or services to you, or others for your account; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

'Contributing locations' does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **'Manufacturing locations'**.

12. **'Covered cause of loss'** means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

'Covered cause of loss' does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or
- b. Damage.

13. **'Defective materials'** means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

14. **'Denial of service'** means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

15. **'Dependent premises'** means the following types of locations:

- a. **'Contributing locations'**;
- b. **'Recipient locations'**;
- c. **'Manufacturing locations'**; and
- d. **'Leader locations'**.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

'Dependent premises' does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

16. **'Duplicate information property'** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

'Duplicate information property' does not mean:

- a. **'Stock'**;
- b. **'Fine arts'**;
- c. **'Money'**;
- d. **'Securities'**, or
- e. **'Electronic data processing hardware'**.

17. **'Earth movement'** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **'sinkhole collapse'**.

'Earth movement' does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

18. **'Electronic data processing hardware'** means:

- a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;
- b. Telephone equipment; and
- c. Facsimile equipment.

'Electronic data processing hardware' does not mean computers, devices, or components which:

- a. Exist primarily to control or operate machinery or equipment or to produce **'stock in process'** or **'finished stock'**; or
- b. Are **'stock'**.

19. **'Electronic vandalism'** means:

- a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of **'accounts receivable records'**, **'duplicate information property'**, **'electronic data processing hardware'**, or **'original information property'**;
- b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of **'electronic data processing hardware'** and may destroy, alter, contaminate, or compromise the integrity, quality, or performance of **'accounts receivable records'**, **'duplicate information property'**, **'electronic data processing hardware'**, or **'original information property'**;
- c. Unauthorized viewing, copying, or use of any electronic **'accounts receivable records'**, **'duplicate information property'**, or **'original information property'**; and
- d. **'Denial of service'**.

20. **'Equipment breakdown cause of loss'** means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;

- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

21. **'Extended period of indemnity'** means the period of time that begins on the date the **'period of restoration'** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity--Business Income to the date the **'period of restoration'** ended.

'Extended period of indemnity' does not mean **'research and development extended period of indemnity'**.

22. **'Extra expense'** means operating expenses you incur during the **'period of restoration'** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **'suspension'** of or to continue those **'operations'** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **'period of restoration'**.

'Extra expense' does not mean:

- a. Costs incurred to purchase **'merchandise'** as a replacement for your **'finished stock'**;
- b. **'Continuing expenses'** or **'research and development continuing expenses'**;
- c. Costs to repair, rebuild, or replace any property, or research or restore **'original information property'**; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

23. **'Fine arts'** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.

24. **'Finished stock'** means **'goods you have manufactured'** which are completed and ready for packing, shipment, installation, or sale.

'Finished stock' does not mean **'goods you have manufactured'** which are completed and ready for packing, shipment, installation, or sale on a **'premises'** or **'reported unscheduled premises'** of any retail outlet at which you are insured by Business Income Insurance.

25. **"Fire protection sprinkler system piping"** means valves, fittings, and piping located above the lowest floor, and limited to risers, check valves, control valves, gauges, feed mains, cross mains, branch lines, arm-overs, sprigs, and automatic sprinkler heads located inside the building as part of the fire protection sprinkler system.
26. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:
- The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.
27. **"Fungus"** means any type or form of fungus, mold, or mildew and any mycotoxins, spores, scents, or by-products produced or released by fungi.
28. **"Goods you have manufactured"** means:
- Goods manufactured at a location you own or operate; and
 - Goods manufactured at a location that you do not own or operate, provided:
 - You contracted for the goods to be manufactured exclusively for you; and
 - You are the owner or licensee of the design, patent, trademark, or copyright for the goods.
29. **"Gross earnings"** means the sum of:
- Total net sales value of production in manufacturing **"operations"**;
 - Total net sales of **"merchandise"** in mercantile **"operations"**; and
 - Other earnings derived from **"operations"**;
- Less the cost of:
- "Raw stock"** used in the production and manufacturing **"operations"** in a. above;
 - Supplies consisting of materials consumed directly in the conversion of such **"raw stock"** into **"finished stock"** or in supplying the services sold by you;
 - "Merchandise"** sold, including packaging materials; and
 - Services purchased from others (not your employees, including leased or temporary employees) for resale that do not continue under contract.
30. **"Gross leasehold interest"** means:
- The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
 - The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.

Example:

Monthly rental value of your leased **"premises"**: \$1,000

Monthly rent including taxes, insurance, janitorial,
or other services that you pay for as part of the rent: - \$700

'Gross leasehold interest' \$300

31. **'Improvements and betterments'** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you; and
- c. Which you cannot remove legally.

32. **'Installation property'** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **'installation or service premises'**.

'Installation property' does not mean **'landscaping materials'**.

33. **'Installation or service premises'** means a location that is not owned, leased, or operated by you, at which you are installing or servicing property.

'Installation or service premises' does not mean a **'rigging premises'**.

34. **'Landscaping materials'** means trees, shrubs, plants, grass, lawns, and other landscaping materials owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **'installation or service premises'**.

'Landscaping materials' does not mean trees, shrubs, plants, grass, lawns, and other landscaping materials that exist as a permanent part of an **'installation or service premises'** prior to the start of the project.

35. **'Leader locations'** means locations owned and operated by others who you depend on to attract customers to your business.

36. **'Malfunction'** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.

37. **'Manager'** means a person elected by the **'members'** to direct the limited liability company's business affairs.

38. **'Manufacturing locations'** means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.

39. **'Market value'** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.

40. **'Member'** means an owner of a limited liability company represented by its membership interest, who also may serve as a **'manager'**.

41. **'Merchandise'** means:

- a. Goods held for sale or installation by you which are not **'goods you have manufactured'**; and
- b. **'Goods you have manufactured'** which are completed and ready for packing, shipment, installation, or sale on a **'premises'** or **'reported unscheduled premises'** of any retail outlet at which you are insured by Business Income Insurance.

42. **'Microorganism'** means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, **'fungus'**, wet or dry rot, virus, algae, or bacteria, or any by-product.

43. **"Mistake"** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.

44. **"Money"** means:

- a. Currency, coins, bullion, or bank notes, whether or not in current use; and
- b. Travelers checks, register checks, food stamps, and money orders held for sale to the public.

45. **"Monthly leasehold interest"** means the original costs you paid for:

- a. Bonus Payments – **"Money"** you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
- b. Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment	\$4,000
With 20 months left in the lease at the time of Bonus Payment	÷20
"Monthly leasehold interest"	\$200

46. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.

47. **"Net leasehold interest"** means the sum of:

- a. The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
- b. Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000
"Net leasehold interest"	
Subtotal a. + Subtotal b.	\$9,526

48. **'Newly acquired premises'** means a permanently fixed location you own, lease, rent, or control. The location becomes a **'newly acquired premises'** on the later of:

- a. The date you obtain possession or control of the location; or
- b. The date **'real property'** or **'personal property'** in which you have an insurable interest is first placed at the location.

'Newly acquired premises' does not mean:

- a. A **'premises'**;
- b. An **'unreported premises'**;
- c. A **'reported unscheduled premises'**;
- d. A fair or exhibition;
- e. An **'installation or service premises'**;
- f. A **'rigging premises'**; or
- g. A **'temporary storage location'**.

49. **'Off-premises service interruption'** means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

50. **'Operations'** means:

- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
- b. The covered location is tenantable prior to the physical loss or damage.

'Operations' does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **'Research and development operations'**.

51. **'Original information property'** means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

'Original information property' does not mean:

- a. **'Stock'**;
- b. **'Fine arts'**;
- c. **'Money'**;
- d. **'Securities'**;
- e. **'Electronic data processing hardware'**; or
- f. **'Research and development property'**.

52. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**, or
- d. **"Stock"**.

53. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

54. **"Personal property"** means:

- a. **"Your personal property"**;
- b. **"Your employees' personal property"**;
- c. **"Personal property of others"** in your care, custody, or control;
- d. The value of labor, materials, or services furnished or arranged by you on **"personal property of others"**;
- e. Your interest in **"improvements and betterments"** to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Money"**, bills, notes, or **"securities"**;
- e. Contraband or property in the course of illegal transportation or trade;
- f. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as **"stock"** while inside of buildings;
- g. **"Fine arts"**;
- h. **"Original information property"**;
- i. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;
 But not:
 - 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
 - 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
 - 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- j. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- k. **"Research and development property"**.

55. **'Personal property of others'** means personal property not owned by you, your officers, directors, partners, **'managers'**, **'members'**, or employees (including leased or temporary employees).
56. **'Pollutants'** means any solid, liquid, gaseous, or thermal irritant, or **'contaminant'**, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
57. **'Premises'** means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **'time element coverage'**, **'premises'** includes those portions of the location not rented or intended to be rented to others.

58. **'Raw stock'** means material in the state in which you acquired it for conversion into **'finished stock'**.

59. **'Real property'** means:

- a. Buildings;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **'premises'** or **'reported unscheduled premises'**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

'Real property' does not mean:

- a. **'Fine arts'**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **'Outdoor trees, shrubs, plants, or lawns'**;
- g. **'Research and development property'**;
- h. **'Contractor's equipment'**;
- i. **'Contractor's employees' property'**;
- j. **'Installation property'**;
- k. **'Landscaping materials'**, or

I. Property of others in your care, custody, or control for **"rigging"**.

60. **"Recipient locations"** means locations owned or operated by others, who you depend on to accept your products or services.

61. **"Replacement cost"** means the lesser of:

a. Repair Cost

The cost to repair the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the **"real property"** when those costs are a consequence of enforcement of such codes.

b. Rebuild Cost

The cost to rebuild the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. Replace Cost

The cost to replace the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and **"personal property"** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **"real property"** or **"personal property"**.

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of **"real property"** or **"personal property"** at the **"premises"** or **"reported unscheduled premises"**, and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, **"replacement cost"** includes the costs to demolish and clear the site of the undamaged portion of the **"real property"** or **"personal property"**.

"Replacement cost" does not mean:

- a. Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
- b. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by **"pollutants"** or due to the presence, growth, proliferation, spread, or any activity of **"microorganisms"**; or
- c. Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.

62. **"Reported unscheduled premises"** means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, business income, or extra expense to be covered; and
- c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. An **"unreported premises"**;
- d. A fair or exhibition;
- e. An **"installation or service premises"**;
- f. A **"temporary storage location"**;
- g. A **"rigging premises"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

63. **"Research and development continuing expenses"** means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.

64. **"Research and development extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph **b.** of the Extended Period of Indemnity Additional Coverage; or
- b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

65. **"Research and development operations"** means your business activities where **"research and development property"** is being planned, created, developed, or tested.

66. **"Research and development property"** means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;

- e. Biological products, processes, or cultures; and
- f. **'Research animals'**.

'Research and development property' does not mean:

- a. Animals, other than **'research animals'**;
- b. **'Money'**, bills, notes, or **'securities'**;
- c. **'Stock'**;
- d. **'Fine arts'**; or
- e. Growing plants or crops.

67. **'Research animal'** means any multi-cellular organism that is used in your **'research and development operations'**.

68. **'Rigging'** means rigging, hoisting, moving, erecting, lowering, and millwright work.

69. **'Rigging premises'** means a location for the purpose of:

- a. **'Rigging'**;
- b. Assembling or dismantling work done in connection with a **'rigging'** project; or
- c. Operations incidental to a **'rigging'**, assembling, or dismantling project.

70. **'Salespersons samples'** means **'personal property'** that is in the custody of one of your salespersons and used only for sample purposes.

71. **'Securities'** means negotiable and non-negotiable instruments or contracts representing either **'money'** or property and includes:

- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

'Securities' does not mean:

- a. **'Money'**; or
- b. Lottery tickets held for sale.

72. **'Sinkhole collapse'** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

'Sinkhole collapse' does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **'flood'**; or
- c. Cost of filling sinkholes.

73. **'Specified causes of loss'** means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. **'Sinkhole collapse'**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:
 - 1) **'Personal property'** in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice, or sleet;
- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. **'Equipment breakdown cause of loss'**, excluding loss of or damage to **'stock'** caused by the discharge, dispersal, release, or escape of refrigerants.

74. **'Stock'** means the following:

- a. **'Raw stock'**;
- b. **'Stock in process'**;
- c. **'Finished stock'**; and
- d. **'Merchandise'**.

75. **'Stock in process'** means **'raw stock'** which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become **'finished stock'**.

76. **'Suspended equipment'** means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.

77. **"Suspension"** means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

78. **"Temporary storage location"** means a permanently fixed location where **"stock"** or **"installation property"** that is to become a permanent part of an **"installation or service premises"** is stored while waiting to be delivered to an **"installation or service premises"**:

- a. That you do not own, lease, or operate; and
- b. Where there is a written construction or installation contract or agreement to install **"stock"** or **"installation property"** at that **"installation or service premises"**.

"Temporary storage location" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition; or
- f. An **"unreported premises"**.

79. **"Time element coverage"** means the coverage provided under any of the following:

- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);
- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

80. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"installation or service premises"**;
- g. A **"temporary storage location"**, or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

81. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).
82. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"real property"** or **"personal property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any **"off-premises service interruption"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **'premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off a **'premises'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **'equipment breakdown cause of loss'**, **'mistake'**, or **'malfunction'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **'equipment breakdown cause of loss'** to **'suspended equipment'**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:

1. \$2,500 for furs, fur garments, and garments trimmed with fur.
2. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- a. Jewelry or watches worth \$100 or less per item; or
- b. Precious or semiprecious stones or metals used for industrial purposes.
3. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **'replacement cost'**; or
 - b. The **'amount you actually spend'** to repair, rebuild, or replace the **'real property'** or **'personal property'** at the same or another location.
2. Except as provided in 3., 5., 6., and 7. below, **'real property'** or **'personal property'**, other than **'improvements and betterments'**, which is not repaired, rebuilt, or replaced will be valued at the **'actual cash value'** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **'real property'** or **'personal property'** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **'actual cash value'** previously paid and the **'replacement cost'** at the time of loss or damage.
3. **'Merchandise'** which has been sold but not delivered and **'finished stock'** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **'Stock in process'** at the value of **'raw stock'**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **'Improvements and betterments'** at:
 - a. The **'replacement cost'** if you make repairs with reasonable speed.

- b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:
 - 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - 2) Divide the amount determined in 1) above by the number of days from the installation of **"improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.

- c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.
6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
7. **"Duplicate information property"** at the lesser of:
- a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

- 1. The amount of covered loss or damage at the **"premises"**; or
- 2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

- 1. Any Limit of Insurance applicable to more than one **"premises"**; or
- 2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.


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Additional Coverages Form

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Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for **"stock"** under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to **"stock"** under the Consequential Loss--Undamaged Stock Additional Coverage, or any other Additional Coverage for **"stock"**.

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss--Net Leasehold Interest

We will pay for the loss of **"net leasehold interest"** you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**. We will not pay more than the **"net leasehold interest"** at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the **"premises"** or **"reported unscheduled premises"** under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the **"premises"** or **"reported unscheduled premises"** where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss--Tenant's Improvements and Betterments

We will pay for the value of undamaged **"improvements and betterments"** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

- a. At least 25% of the area of that entire building has been damaged; or
- b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

- a. A minimum of 6 months remains in your lease; and
- b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss--Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
 - 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. Electronic Vandalism--Direct Damage

We will pay for loss of or damage to **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of covered loss of or damage to **"real property"** or **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property"** or **"personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
 - b. In transit to or from fairs or exhibitions,
- directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a **"covered cause of loss"**.

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 =$	\$ 3,200
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a **"premises"** or **"reported unscheduled premises"** are stolen; or

- b. Entry lock repair or replacement made necessary by theft or attempted theft at a **'premises'** or **'reported unscheduled premises'**.

The most we will pay under this Additional Coverage at any one **'premises'** or **'reported unscheduled premises'** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. **Microorganisms**

We will pay the following when **'microorganisms'** are the result of a **'covered cause of loss'**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **'microorganisms'**, including the cost of removal of the **'microorganisms'**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **'microorganisms'**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **'microorganisms'** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **'microorganisms'** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. **Newly Acquired Premises**

We will pay for direct physical loss of or damage to **'real property'** or **'personal property'** at a **'newly acquired premises'** directly caused by a **'covered cause of loss'**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **'newly acquired premises'** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **'newly acquired premises'**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **'newly acquired premises'**.

The most we will pay under this Additional Coverage at any one **'newly acquired premises'** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. **Newly Acquired Property**

We will pay for direct physical loss of or damage to:

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- a. Your newly acquired or constructed **'real property'** at a **'premises'** if coverage is not currently shown for **'real property'** at that **'premises'** on the Declarations; and
- b. Your newly acquired **'personal property'** at a **'premises'** if coverage is not currently shown for **'personal property'** at that **'premises'** on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **'real property'** begins or completed **'real property'** or **'personal property'** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **'real property'** begins or **'personal property'** or completed **'real property'** is acquired.

The most we will pay under this Additional Coverage at any one **'premises'** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption--Direct Damage

We will pay for direct physical loss of or damage to **'real property'** and **'personal property'** at a **'premises'** or **'reported unscheduled premises'** directly caused by an **'off-premises service interruption'**. The interruption must result from direct physical loss or damage directly caused by a **'covered cause of loss'** to any property located away from the **'premises'** or **'reported unscheduled premises'** and used to provide any of the following services to the **'premises'** or **'reported unscheduled premises'**:

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one **'premises'** or **'reported unscheduled premises'** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to **'outdoor trees, shrubs, plants, or lawns'** at a **'premises'** or **'reported unscheduled premises'** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or

e. Aircraft.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal--Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal--Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency;
or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **'real property'** and **'personal property'**, other than **'salespersons samples'** or property in transit, at an **'unreported premises'** directly caused by a **'covered cause of loss'**.

The most we will pay under this Additional Coverage at any one **'unreported premises'** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.



ZURICH

**Accounts Receivable Coverage Form
(Revenue Loss)**

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ZURICH

Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)--Away From Premises

We will also pay for:

1. The **"money"** due you from customers that you are unable to collect;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **'mistake'** or **'malfunction'** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **'mistake'** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **'electronic data processing hardware'** or component parts.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **'mistake'** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing

of part or all of any property on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **'accounts receivable records'**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **'members'**, officers, **'managers'**, employees (including

leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"accounts receivable records"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"accounts receivable records"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **"accounts receivable records"**, the following method will be used to determine the amount of covered loss, damage, or expense:

- 1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
- 2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

- 1. The amount of the accounts receivable for which there is no loss or damage;
- 2. The amount of the accounts receivable that you are able to re-establish or collect;
- 3. An amount to allow for probable bad debts that you are normally unable to collect; and
- 4. All unearned interest and service charges.

Fine Arts Coverage Form



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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

- a. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"fine arts"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"fine arts"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"fine arts"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **'flood'**. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **'flood'** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **'fine arts'** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **'real property'**; or
- 2) Covered **'personal property'**;

directly caused by a **'covered cause of loss'**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **'pollutants'** or **'microorganisms'**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **'microorganisms'**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to **"fine arts"** caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **'Fine arts'** are valued based on the lesser of:
 - a. **'Market value'** at the time of loss or damage; or
 - b. The value of **'fine arts'** that are individually listed and described on the schedule on file with us.

2. Pairs or Sets

In case of loss to any part of a pair or set, we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between the value of the pair or set before and after the loss.



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Installation and Service Property Coverage Form

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Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"installation or service premises"**; or
- b. In transit, to or from an **"installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS**1. Artificially Maintained Conditions**

We will not pay for loss of or damage to **'personal property'** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **'equipment breakdown cause of loss'**, **'mistake'**, or **'malfunction'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

This exclusion does not apply to **'electronic data processing hardware'** or **'duplicate information property'**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **'members'**, officers, **'managers'**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

5. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **'real property'** containing covered **'personal property'** directly caused by a **'covered cause of loss'**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **'microorganisms'**.

6. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

7. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **'microorganisms'**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **'specified cause of loss'**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **'specified cause of loss'**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **'microorganisms'**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

This exclusion does not apply to:

- a. **'Stock'** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **'stock'** caused by or resulting from a **'mistake'** or **'malfunction'** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **'stock'**;
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **'mistake'** in:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation, or remodeling; or
 - 4) Maintaining or servicing,

of part or all of any property on or off an **'installation or service premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off an **'installation or service premises'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **'equipment breakdown cause of loss'**, **'mistake'**, or **'malfunction'**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to **"personal property"** that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for **"stock"** by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **'replacement cost'**; or
 - b. The **'amount you actually spend'** to repair, rebuild, or replace Covered Property.
2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **'actual cash value'** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **'actual cash value'** previously paid and the **'replacement cost'** at the time of loss or damage.
3. **'Merchandise'** and **'finished stock'** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **'Stock in process'** at the value of **'raw stock'**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. Covered Property which has been permanently removed from service at **'actual cash value'**.
6. **'Duplicate information property'** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form



A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **'mistake'** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of **'original information property'** on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **'original information property'**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **'members'**, officers, **'managers'**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **'original information property'** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **'earth movement'**. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event

would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"original information property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is not other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **'microorganisms'**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **'specified cause of loss'**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **'specified cause of loss'**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **'microorganisms'**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged **"original information property"** at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your **"original information property"**. We will not include the cost of making additional copies.



Transit Coverage Form

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Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
3. General average and salvage charges on shipments while waterborne,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"installation or service premises"**;
5. **"Stock"** in transit to or from an **"installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS**1. Artificially Maintained Conditions**

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

10. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to **"personal property"** in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If **"personal property"** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **"personal property"** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace **"personal property"**.

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



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**Business Income Coverage Form
(Excluding Extra Expense)**

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ZURICH

Business Income Coverage Form (Excluding Extra Expense)

A. COVERAGE

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"premises"** or **"reported unscheduled premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Electronic Vandalism

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Business Income.

4. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form.

5. Extended Period of Indemnity

If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

6. Fairs or Exhibitions

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Business Income.

7. Ingress/Egress

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be directly caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

8. Microorganisms

We will pay for the actual loss of **"business income"** you sustain due to the:

- a. Necessary **"suspension"** of your **"operations"** from direct physical loss of or damage to Covered Property caused by **"microorganisms"** when the **"microorganisms"** are the result of a **"covered cause of loss"**; or
- b. Prolonged **"period of restoration"** due to the remediation of **"microorganisms"** from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms--Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the **"microorganisms"** continue to be present, active, or recur.

9. **Newly Acquired Premises**

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Business Income.

10. **Reported Unscheduled Premises**

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Business Income.

11. **Transit**

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Business Income.

12. **Unreported Premises**

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Business Income.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**; or
- d. **"Personal property"** in transit.

2. Fine Arts

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"original information property"**.

4. Personal Property in Transit

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"personal property"** in transit.

5. Finished Stock

We will not pay for loss of **"business income"** caused by or resulting from:

- a. Loss of or damage to **"finished stock"**; or
- b. The time required to replace **"finished stock"**.

6. Off-Premises Service Interruption

We will not pay for loss of **"business income"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

7. Suspension, Lapse, or Cancellation

We will not pay for any loss of **"business income"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused

by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"extended period of indemnity"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for loss of **"business income"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** in any one occurrence until the amount of loss exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of loss in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION

1. Sources of Information

The amount of **"business income"** loss will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of **"net income"** will be determined based on:

- a. The **"net income"** of the business before the direct physical loss or damage occurred; and
- b. The likely **"net income"** of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of **"continuing expenses"** will be those expenses which are necessary to resume your **"operations"** with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"extended period of indemnity"**.

4. Resumption of Operations

We will reduce the amount of the **"business income"** loss payment:

- a. To the extent you could resume your **"operations"**, in whole or in part, by using damaged or undamaged property, including **"stock"**, or
- b. To the extent you could resume your **"operations"**, in whole or in part, by using any other location.

5. Finished Stock and Merchandise

Lost or damaged **"finished stock"** or **"merchandise"** that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of **"business income"** is the lesser of:

- a. The amount of loss incurred during the 120 days immediately following the beginning of the **"period of restoration"**; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

2. Monthly Limit of Indemnity

The most we will pay for loss of **"business income"** in each period of 30 consecutive days after the beginning of the **"period of restoration"** is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

Example:

If:

a. The Limit of Insurance is \$120,000.

b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



Named Storm Occurrence--Direct Damage and Time Element Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
CONTRACTOR'S EQUIPMENT COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

- A. The Named Storm Occurrence--Direct Damage and Time Element Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
- B. With respect to all **'premises'** at which the Named Storm Occurrence--Direct Damage and Time Element Deductible shown on the Declarations applies, the following is added to the Deductible section in the following forms:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
CONTRACTOR'S EQUIPMENT COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

With respect to all loss or damage caused directly or indirectly by a **'hamed storm'**, regardless of whether any other cause or event, including a **'mistake'**, **'malfunction'**, or another weather condition, contributes concurrently or in any sequence to the loss, the following applies:

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of all covered loss, damage, cost, or expense exceeds the Named Storm Occurrence--Direct Damage and Time Element Deductible shown on the Declarations for **'premises'** at which the Deductible applies. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

This Deductible applies to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by a **"hamed storm"** even if no other deductible applies to the **"time element coverage"**.

C. The following is added to the COMMERCIAL PROPERTY DEFINITIONS:

"Named storm" means a specific storm system that has been named by the National Hurricane Center (NHC) or Central Pacific Hurricane Center (CPHC), beginning when the NHC or CPHC issues a watch or warning and ending 72 hours after the termination of the watch or warning.


ZURICH

Dependent Premises Business Income Coverage--Scheduled Limits and Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE*

Name, Occupancy, and Location of "Dependent Premises"	Limit of Insurance	Deductible
--	---------------------------	-------------------

(A) "Contributing Locations":

(B) "Recipient Locations":

(C) "Manufacturing Locations":

KaGa Electronics, Hong Kong Room 1709-1710, 17/F Miramar Tower 132 Nathan Rd, Tsimshatsui, Kowloon, Hong Kong	\$5,000,000	\$500,00
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(D) "Leader Locations":

*Information required to complete this Schedule, if not shown on this endorsement, will be shown on the Declarations.

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above at that **"dependent premises"**.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"** described in the Schedule above.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** shown in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

We will not pay more than the applicable Limit of Insurance shown in the Schedule above for that **"dependent premises"**.

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.

F. DEDUCTIBLE

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, Section E. Deductible in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE), the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY, and the EXTRA EXPENSE COVERAGE FORM is replaced by the following:

We will not pay for any loss of **"business income"** or **"extra expense"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductible shown in the Schedule above at that **"dependent premises"**

where the loss or damage occurred. We will then pay the amount of loss or expense in excess of the Deductible, up to the applicable Limits of Insurance.

Any other deductible otherwise applicable to "**business income**" or "**extra expense**" does not apply to coverage provided by this endorsement.



ZURICH

Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will also pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

The most we will pay under this Optional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

'Period of restoration' means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a **'dependent premises'**; and
- b. Ends on the date when the property at that **'dependent premises'** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

'Period of restoration' does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **'pollutants'** or **'microorganisms'**.

The expiration of this policy will not cut short the **'period of restoration'**.

- F. Coverage provided by this endorsement does not apply at any location at which **'business income'** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)–TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage--Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Dependent premises"**;
2. Fairs or exhibitions;
3. **"Newly acquired premises"**;
4. **"Reported unscheduled premises"**;
5. **"Unreported premises"**; or
6. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by **"flood"** at any one **"premises"** is the Limit of Insurance shown on the Declarations for Flood for that **"premises"**.

2. Occurrence Limit

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by **"flood"**, regardless of the number of **"premises"** involved, is the occurrence Limit of Insurance shown on the Declarations for Flood.

3. Annual Aggregate Limit

The most we will pay for loss or damage caused directly or indirectly by **"flood"** in any one policy year, regardless of the number of occurrences or **"premises"** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Flood.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by **"flood"**, the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water / Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
1	X		X		X
5	X		X		X
6	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water / Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
8	X		X		X
3	X		X		X
7	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water / Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
4	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.



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Extra Expense Coverage Form

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ZURICH

Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur due to the action of a civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"** caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Civil Authority from the date the civil authority prohibits access.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Ingress/Egress following the date the physical obstruction prohibits ingress or egress.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Extra Expense.

4. Reported Unscheduled Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Extra Expense.

5. Unreported Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Extra Expense.

C. EXCLUSIONS**1. Real or Personal Property**

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**; or
- c. **"Outdoor trees, shrubs, plants, or lawns"**.

2. Fine Arts

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"original information property"**.

4. Off-Premises Service Interruption

We will not pay for **"extra expense"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for **"extra expense"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any **"extra expense"** from such suspension, lapse, or cancellation which occurs after the **"period of restoration"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for **"extra expense"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in **"extra expense"** caused by delay in rebuilding, repairing, or replacing property or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for **"extra expense"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any **"extra expense"** in any one occurrence until the amount of **"extra expense"** exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of **"extra expense"** in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of **"extra expense"** will be based on relevant sources of information, including, but not limited to :

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of **"extra expense"** will be determined based on:

- a. All **"extra expense"** that exceeds the normal operating expenses that would have been incurred by your **"operations"** during the **"period of restoration"** if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the **"extra expense"** that otherwise would have been incurred.

We will deduct from the total **"extra expense"** the salvage value of any property bought for temporary use during the **"period of restoration"**, once **"operations"** are resumed.

3. Resumption of Operations

We will reduce the amount of **"extra expense"** to the extent you can return **"operations"** to normal and discontinue such **"extra expense"**.



California Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

COMMERCIAL PROPERTY CONDITIONS

- A. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- B. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by a **'covered cause of loss'** other than fire:

This Commercial Property Coverage Part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- C. Except as provided in D. below, the Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form, or if not stated, the **'actual cash value'** and **'replacement cost'**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

- D. The Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect losses covered by the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

If we and you disagree on the amount of **"net income"** and **"continuing expenses"** or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of **"net income"** and **"continuing expenses"** or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.



Florida Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following provisions only apply with respect to **"premises"** and **"reported unscheduled premises"** in the state of Florida:

A. The following provision applies when the Additional Condition--Coinsurance endorsement is applicable:

Florida Law states as follows:

Coinsurance contract: The rate charged in this Commercial Property Coverage Part is based upon the use of the coinsurance clause attached to this Commercial Property Coverage Part, with the consent of the insured.

B. If wind is a **"covered cause of loss"** and loss or damage to Covered Property is caused by or resulting from wind, the following is added to Section B., Excluded Causes of Loss, in the REAL AND PERSONAL PROPERTY COVERAGE FORM and applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:
 - a. Indian River; and
 - b. St. Lucie.

Wind Exterior

We will not pay for loss or damage caused by or resulting from wind to paint or waterproofing material applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by wind in the course of the same wind event. But such coverage applies only if wind is a **"covered cause of loss"**.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Wind and Hail Deductible;

- b. The amount of Named Storm Deductible; or
 - c. The value of Covered Property when applying the coinsurance percentage.
- C. Paragraph 6. in the Loss Payment Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:
6. If you have complied with all of the terms of this Commercial Property Coverage Part, we will pay for covered loss or damage upon the earliest of the following:
- a. Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
 - b. Within 30 days after we receive the sworn proof of loss; and
 - 1) There is an entry of a final judgment; or
 - 2) There is a filing of an appraisal award with us; or
 - c. Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90 day time period for payment of claim relates to the portion of the claims that is not denied.

This paragraph c. applies only to the following:

- 1) A claim under the Commercial Property Coverage Part covering residential property;
 - 2) A claim for **"real property"** or **"personal property"** coverage if the insured structure is 10,000 square feet or less and the Commercial Property Coverage Part covers only **"premises"** or **"reported unscheduled premises"** in Florida; or
 - 3) A claim for **"personal property"** coverage under a tenant's policy if the rented **"premises"** or **"reported unscheduled premises"** are 10,000 square feet or less and the Commercial Property Coverage Part covers only **"premises"** or **"reported unscheduled premises"** in Florida.
- D. The following is added to the COMMERCIAL PROPERTY DEFINITIONS:

"Catastrophic ground cover collapse" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. Structural damage to the building, including the foundation; and
- d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

"Catastrophic ground cover collapse" does not mean:

- a. Structural damage consisting of the mere settling or cracking of a foundation, structure, or building;
- b. **"Sinkhole collapse"**; or
- c. **"Earth movement"**.

- E. The definition of **"earth movement"** in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Earth movement" means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"** and **"catastrophic ground cover collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

- F. The following is added to the definition of **"specified causes of loss"**:

"Catastrophic ground cover collapse".

COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to the CANCELLATION Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least 5 days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started, and
 2. Have not been contracted for,
- within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

General Liability Supplemental Coverage Endorsement Technology



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following changes apply to this Coverage Part. However, endorsements attached to this Coverage Part will supersede any provisions to the contrary in this General Liability Supplemental Coverage Endorsement.

A. Broadened Named Insured

1. The following is added to **Section II – Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- a. Is newly acquired or formed during the policy period;
- b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- c. Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the policy period.

2. The last paragraph of **Section II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph **3.** of **Section II – Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section II – Who Is An Insured does not apply to this provision to the extent that such paragraph would conflict with this provision.

C. Insured Status – Employees

Paragraph 2.a.(1) of Section II – Who Is An Insured is replaced by the following:

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

However:

Paragraphs (1)(a) and (1)(d) do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" mean any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs (1)(a), (b) and (c) do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

D. Additional Insureds – Lessees of Premises

Section II – Who Is An Insured is amended to include as an insured any person or organization who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

This provision does not apply:

- (1) To liability arising out of such person's or organization's sole negligence; or
- (2) After the person or organization ceases to lease or rent premises from you.

E. Additional Insured – Vendors

The following change applies if this Coverage Part provides insurance to you for "bodily injury" and "property damage" included in the "products-completed operations hazard":

Section II – Who Is An Insured is amended to include as an insured any person or organization (referred to below as vendor) who you have agreed in a written contract or written agreement, prior to loss, to name as an additional insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional provisions:

1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in Subparagraphs **d.** or **f.**; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
3. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.

F. Additional Insured – Managers, Lessors or Governmental Entity

Section II – Who Is An Insured is amended to include as an insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omission of those acting on your behalf; and

resulting directly from:

- a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
- b. Ownership, maintenance, occupancy or use of premises by you; or
- c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

This provision does not apply:

- a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
- b. To any person or organization:
 - (1) For "bodily injury", "property damage" or "personal and advertising injury" arising out of its sole negligence;
 - (2) Included as an insured under Paragraph 3. of Section II – Who Is An Insured;
- c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
- d. To any:
 - (1) Owners or other interests from whom land has been leased by you; or
 - (2) Managers or lessors of premises, if:
 - (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or
 - (c) The premises are excluded under this Coverage Part.

G. Damage to Premises Rented or Occupied by You

- 1. The last paragraph under Paragraph 2., **Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions c. through n. do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage to Premises Rented To You Limit of Insurance applies to this coverage as described in Section III – Limits Of Insurance.

- 2. Paragraph 6. of **Section III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

H. Broadened Contractual Liability

Definition 9. in **Section V – Definitions** is replaced by the following:

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

I. Definition – Specific Perils

The following definition is added to **Section V – Definitions**:

"Specific perils" mean:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;

- g. Vandalism;
- h. Weight of snow, ice or sleet;
- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

J. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion **e.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

- (1) Liability for damages that the insured would have in the absence of the contract or agreement; or

- (2) Liability for "personal and advertising injury" if:

- (a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;
- (b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and
- (c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury" described in Paragraph (a) above, provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and
- (ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. Paragraph **2.d.** of **Section I – Supplementary Payments – Coverages A And B** is replaced by the following:

- d.** The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

3. The following is added to the paragraph directly following Paragraph **2.f.** of **Section I – Supplementary Payments – Coverages A And B**:

Notwithstanding the provisions of Paragraph **2.e.(2)** of Section **I – Coverage B – Personal And Advertising Injury Liability**, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

K. Internet and Multimedia Services

Exclusion **j.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider; and

arising out of goods, products or services provided by any insured to others.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

L. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B**:

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

M. Broadened Property Damage

1. Property Damage to Contents of Premises Rented Short-Term

The paragraph directly following Paragraph **(6)** in Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III – Limits Of Insurance**.

2. Elevator Property Damage

- a.** The following is added to Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

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Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

b. The following is added to **Section III – Limits Of Insurance:**

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

a. The following is added to Exclusion j. of **Section I – Coverage A – Bodily Injury And Property Damage Liability:**

Paragraph (4) of this exclusion does not apply to "property damage" to equipment you borrow from others at a jobsite.

b. The following is added to **Section III – Limits Of Insurance:**

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to equipment you borrow from others at a jobsite is \$25,000 per "occurrence".

N. Expected or Intended Injury or Damage

Exclusion a. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

a. Expected Or Intended Injury Or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

O. Definition – Bodily Injury

Definition 3. in **Section V – Definitions** is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

P. Electronic Data

Exclusion p. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

This exclusion does not apply to "bodily injury" or physical injury to tangible property including all resulting loss of use of that property.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Q. Insured Status – Amateur Athletic Participants

Section II – Who Is An Insured is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

- a. "Bodily injury" to:
 - (1) Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or
- b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:
 - (1) Your "employee", "volunteer worker" or any person you sponsor; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

R. Non-Owned Aircraft and Watercraft

Exclusion **g.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

S. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

1. Definitions **10.** and **19.** in **Section V – Definitions** are replaced by the following:

- 10.** "Leased worker" means a person leased to you by a "labor leasing firm" under a written agreement between you and the "labor leasing firm", to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- 19.** "Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".

2. The following definition is added to **Section V – Definitions**:

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

- a. Employment agency, contractor or services;
- b. Professional employer organization; or
- c. Temporary help service.

T. Definition – Mobile Equipment

Paragraph **f.** of Definition **12.** in **Section V – Definitions** is replaced by the following:

- f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

U. Definitions – Your Product and Your Work

Definitions **21.** and **22.** in **Section V – Definitions** are replaced by the following:

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work, services or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

V. Priority Condition

The following paragraph is added to **Section III – Limits Of Insurance**:

In the event a claim is made or "suit" is brought against more than one insured seeking damages because of "bodily injury" or "property damage" caused by the same "occurrence" or "personal and advertising injury" caused by the same offense, we will apply the Limits of Insurance in the following order:

- (a) You;
- (b) Your "executive officers", partners, directors, stockholders, members, managers (if you are a limited liability company) or "employees"; and
- (c) Any other insured in any order that we choose.

W. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2., Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:**

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

X. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of **Section IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. This insurance is primary insurance as respects our coverage to the additional insured person or organization where the written contract or written agreement requires that this insurance be primary and non-contributory. In that event, we will not seek contribution from any other insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured. Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i)** That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
- (ii)** That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
- (iii)** That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
- (iv)** If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**; or
- (v)** That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:

Equipment you borrow from others at a jobsite; or

Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured by attachment of an endorsement to another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

Y. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

Z. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part.

The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

AA. Liberalization Condition

The following condition is added to **Section IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise this Coverage Part to broaden coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in the state shown in the mailing address of your policy.


ZURICH

General Liability Supplemental Coverage Endorsement Technology

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Collection or Distribution of Material or Information in Violation of Law Exclusion

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Collection Or Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Collection Or Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.

Employee Benefits Liability – Claims-Made Coverage Form

This Coverage Form provides *claims-made* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

- A.** We will pay those sums that the "insured" becomes legally obligated to pay as damages because of an act, error, or omission in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any "claim" and settle any "suit" that may result; but:

- (1) The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

- B.** (1) This insurance applies to an act, error or omission only if:
- a.** A "claim" arising out of the act, error or omission is first made against any "insured" during the policy period;
 - b.** The act, error, or omission takes place in the "coverage territory";
 - c.** The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a "claim" or "suit"; and
 - d.** The act, error, or omission did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period.

- (2) A "claim" will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first. "All "claims" for damages to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any "insured".

2. Exclusions

This insurance does not apply to:

- A.** "Bodily injury", "property damage", or "personal and advertising injury";
- B.** Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;
- C.** Any "claim" or "suit" arising out of discrimination or humiliation;
- D.** Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;
- E.** Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, disability benefits law, or similar laws;
- F.** Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;
- G.** Any "claim" or "suit" arising out of:
 - (1) Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";
 - (2) The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

- (3) Any investment activity, including the management, administration or disposition of assets of your "employee benefit programs"; or
- (4) Failure of any investment to perform as represented by any "insured".

H. Any "claim" or "suit" arising out of an "insured's" liability as a fiduciary under:

- a.** The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or
- b.** The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any "claim" we investigate or settle or "suit" we defend:

- A.** All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our insurance.
- B.** Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.
- C.** All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- D.** Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

- A.** The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - (1) "Insureds";
 - (2) "Claims" made or "suits" brought; or
 - (3) "Employees" or dependents or beneficiaries of "employees" making "claims" or bringing "suits".
- B.** The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

C. Subject to the Aggregate Limit provisions in **B.** above, the Each Claim Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".

D. The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

(1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a "claim". To the extent possible, notice should include:

- a.** How, when, and where the act, error, or omission took place;
- b.** The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

Notice of an act, error, or omission is not notice of a "claim".

(2) If a "claim" is received by any "insured", you must:

- a.** Immediately record the specifics of the "claim" and the date received; and
- b.** Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

(3) You and any other involved "insured" must:

- a.** Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "claim" or "suit";
- b.** Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement, or defense of the "claim" or "suit"; and
- d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.

- (4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover under this Coverage Part, our obligations are limited as follows:

(1) Primary Insurance

This insurance is primary except when 2. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 3. below.

(2) Excess Insurance

This insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an act, error, or omission on other than a claims-made basis, if:

- a. No Retroactive Date is shown in the Declarations of this insurance; or
- b. The other insurance has a policy period which continues after the Retroactive Date, if any, shown in the Declarations of this insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- i. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- ii. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

(3) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- (1) As if each Named Insured were the only Named Insured; and
- (2) Separately to each "insured" against whom "claim" is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- (2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

- (1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";
- (2) Handling records in connection with "employee benefit programs"; or
- (3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Claim" means:

The receipt by you of a demand for money or services which alleges an act, error, or omission in the "administration" of your "employee benefit programs."

E. "Coverage territory" means:

- (1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or
- (2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **E. 1.** above, or in a settlement to which we agree.

F. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

G. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

H. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

I. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- (1) False arrest, detention, or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- (4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
- (5) Oral or written publication, in any manner, of material that violates a person's right of privacy;
- (6) The use of another's advertising idea in your "advertisement"; or
- (7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. "Property damage" means:

- (1) Physical injury to tangible property, including all resulting loss of use of that property.
- (2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

K. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: CPO 5912284-00

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC.

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M.; Coverage ends 09-01-2013 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVS

Producer No. 70074-000

Item 1. Business Description:**Item 2. Limits of Insurance**GENERAL AGGREGATE LIMIT \$ 2,000,000PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT \$ 2,000,000EACH OCCURRENCE LIMIT \$ 1,000,000DAMAGE TO PREMISES
RENTED TO YOU LIMIT \$ 1,000,000 Any one premisesMEDICAL EXPENSE LIMIT \$ 10,000 Any one personPERSONAL AND ADVERTISING INJURY LIMIT \$ 1,000,000 Any one person or
organization**Item 3. Retroactive Date (CG 00 02 ONLY)**This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense
which occurs before the Retroactive Date, if any, shown here: NONE

(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: See Schedule of Locations

Item 5. Schedule of Forms and Endorsements

Form(s) and Endorsement(s) made a part of this Policy at time of issue:

See Schedule of Forms and Endorsements**Item 6. Premiums**Coverage Part Premium: \$ 68,641.00

Other Premium:

Total Premium: \$ 68,641.00

Policy Number
CPO 5912284-00

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE
ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC.

Effective Date: 09-01-12
12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy:
See Schedule of Locations

Code No. 51941	Premium Basis GROSS SALES/NEAREST THOUSAND	Premises/Operations	
Location 001/001	Exposure \$333,253,000	Rate	Premium
Classification: COMPUTER MFG.		\$.140	\$ 46,655.00
		Products/Completed Operations	
		Rate	Premium
		\$.057	\$ 18,995.00
Code No. G4019	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification: GL SUPPLEMENTAL COVERAGE ENDORSEMENT			\$ 2,481.00
		Products/Completed Operations	
		Rate	Premium
Code No. 92100	Premium Basis	Premises/Operations	
Location	Exposure 1100	Rate	Premium
Classification: EMPLOYEE BENEFITS			\$ 510.00
		Products/Completed Operations	
		Rate	Premium
Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification:			
		Products/Completed Operations	
		Rate	Premium

EMPLOYEE BENEFIT LIABILITY COVERAGE PART - CLAIMS MADE DECLARATIONS

Policy Number: CPO 5912284-00

Named Insured: OMNICELL INC.

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M.; Coverage ends 09-01-2013 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVS

Producer No. 70074-000

Item 1. Limits of Insurance\$ 1,000,000 Aggregate Limit\$ 1,000,000 Each Claim Limit**Item 2. Form of Business:**

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation
☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate	Advance Premium
<u>92100</u>	<u>1,100</u>	\$ _____ Per Employee	\$ <u>INCL</u>
		\$ _____ Flat Charge	\$ _____

Total Advance Premium For This Coverage Part: \$ INCLAudit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly**Forms And Endorsements Applicable To This Coverage Part:****SEE SCHEDULE OF FORMS AND ENDORSEMENTS****Retroactive Date:**

_____ (Enter date or "None" if no Retroactive Date applies)

This insurance does not apply to damages caused by an act, error, or omission which occurred before the Retroactive Date, if any, shown above.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section **III – Limits Of Insurance**; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b.** We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;
 - (2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a.** False arrest, detention or imprisonment;
- b.** Malicious prosecution;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f.** The use of another's advertising idea in your "advertisement"; or
- g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, re-conditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Coverage B - Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.

Premium And Reports Agreement – Composite Rated Policies



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:

Commercial General Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Owners Contractors Protective Coverage Part
Railroad Protective Coverage Part

Schedule

1. Unit of Exposure:

<input type="checkbox"/> Gross sales	<input type="checkbox"/> Area	<input type="checkbox"/> Gallons
<input type="checkbox"/> Each	<input type="checkbox"/> Rooms	<input type="checkbox"/> General Liability Payroll
<input type="checkbox"/> Admissions	<input type="checkbox"/> Units	<input type="checkbox"/> Rounds played
<input type="checkbox"/> Total Cost	<input type="checkbox"/> Total Operating Expenditures	<input type="checkbox"/> Occupied rooms
<input type="checkbox"/> Licensed Autos	<input type="checkbox"/> Workers Compensation Payroll	<input checked="" type="checkbox"/> Other Domestic Sales Only – Foreign Sales Excluded

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
Computer Mfg	\$333,253,000		
Premises/Operations		\$ 0.140	\$46,655.00
Products/Completed Ops		\$0.057	\$18,995.00
		Total Rate \$0.197	Total \$65,650.00
Employee Benefits Liability			\$ 510.00 Flat Charge
Supplemental Coverage			\$2,481.00 Flat Charge
Terrorism		2% of GL Premium	\$1,372.00 Flat Charge

(Add more rows as required)

3. Deposit Premium: \$65,650.00

4. Minimum Premium: \$59,085.00

Condition 5, **Premium Audit**, of Section IV, **Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.
- b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.
- c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.
- d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.
- e. The units of exposure shown in the Schedule are defined as follows:
 1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
 2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
 3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
 4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
 5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
 6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less than 10 holes will be counted as a half round toward the total number of rounds of golf played.
 9. **Each** means the total number of exposure units as described in the exposure basis.
 10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
 11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
 12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
 13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
 14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
 15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement.

COMMERCIAL GENERAL LIABILITY
CG 32 34 01 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.



Deductible Endorsement Claims-Made

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:
Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: \$ 1,000

1. The deductible amount stated above shall be deducted from the amount of all "claims" arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per "claim" basis. The Aggregate Limit will not be reduced by the application of such deductible.

2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
 - a. Our rights and duties with respect to the defense of "suits"; and
 - b. The "insured's" duties in the event of an act, error, or omission or a "claim" or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY
CG 21 73 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:
1% OF TOTAL AUTOMOBILE PREMIUM

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ("TRIA")

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses.

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO

ZURICH AMERICAN INSURANCE COMPANY

1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER:

MARSH RISK & INSURANCE SERVS

NAMED INSURED: OMNICELL INC.

MAILING ADDRESS: 1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

POLICY PERIOD: From 09-01-2012 to 09-01-2013 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER: NEW

FORM OF BUSINESS:

☒

CORPORATION

☐

LIMITED LIABILITY COMPANY

☐

INDIVIDUAL

☐

PARTNERSHIP

☐

OTHER _____

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$ 70,461.40								
AUDIT PERIOD (IF APPLICABLE)	X	ANNUALLY		SEMI-ANNUALLY		QUARTERLY		MONTHLY

ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 – Broad Form Nuclear Exclusion (Not Applicable in New York)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED _____ BY _____
(Date) (Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE
AT THE COMPANY'S OPTION.

ITEM TWO

SCHEDULE OF COVERAGES AND COVERED AUTOS

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM
LIABILITY	1	\$1,000,000	\$ 47,967
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE P.P.I. ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS	2	\$ 5,000	\$ 448
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS	2	SEE ENDT	\$ 1,687
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	2	SEE ENDT	\$ 180
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7,8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See ITEM FOUR For Hired or Borrowed Autos.	\$ 5,933
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See ITEM FOUR For Hired Or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	7,8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE, FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$ 13,544
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO.	
TAX/SURCHARGE/FEE			\$ 5.40
PREMIUM FOR ENDORSEMENTS			\$ 697
*ESTIMATED TOTAL PREMIUM			\$ 70,461.40

*This policy may be subject to final audit.

ITEM THREE
SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA1	2006, DODGE SPRINTER 2500, WD0PD744465916868		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
CA2	2006, DODGE SPRINTER 2500, WD0PD744865930336		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
AL3	2010, HONDA ELEMENT, 5J6YH130AL005824		\$ 21,475 ACV		HUEYTOWN AL, 101		
LA4	2011, TOYOTA SIENNA LE, 5TDKK3DC3BS153030		\$ 28,900 ACV		MANDEVILLE LA, 120		
IL5	2010, HONDA ELEMENT LX, 5J6YH2H36AL002111		\$ 21,775 ACV		HINCKLEY IL, 134		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA1	50	C	8,550	7	All Others	034990	
CA2	50	C	8,550	7	All Others	034990	
AL3				3		739800	
LA4				2		739800	
IL5				3		739800	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA1	\$ 1,000,000	\$ 2,384					
CA2	\$ 1,000,000	\$ 2,384					
AL3	\$ 1,000,000	\$ 1,907					
LA4	\$ 1,000,000	\$ 4,254					
IL5	\$ 1,000,000	\$ 1,116					
Total Premium							

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA6	2012, TOYOTA SIENNA LE, 5TDKK3DC3CS182044		\$ 29,700 ACV		LIVERMORE CA, 075		
KS7	2011, FORD ESCAPE XLS, 1FMCU0C78BKC59686		\$ 21,060 ACV		DERBY KS, 105		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA6				1		739800	
KS7				2		739800	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA6	\$ 1,000,000	\$ 1,662					
KS7	\$ 1,000,000	\$ 970					
Total Premium		\$ 14,677					

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person			Premium		
CA1	\$5,000	\$ 83						
CA2	\$5,000	\$ 83						
AL3	\$5,000	\$ 54						
LA4	\$5,000	\$ 114						
IL5	\$5,000	\$ 34						
Total Premium								
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA1	\$ 1,000	\$ 59			\$ 1,000	\$ 202		
CA2	\$ 1,000	\$ 59			\$ 1,000	\$ 202		
AL3	\$ 1,000	\$ 113			\$ 1,000	\$ 467		
LA4	\$ 1,000	\$ 152			\$ 1,000	\$ 435		
IL5	\$ 1,000	\$ 135			\$ 1,000	\$ 334		
Total Premium								

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person			Premium		
CA6	\$5,000	\$ 49						
KS7	\$5,000	\$ 31						
Total Premium		\$ 448						
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA6	\$ 1,000	\$ 60			\$ 1,000	\$ 430		
KS7	\$ 1,000	\$ 155			\$ 1,000	\$ 307		
Total Premium		\$ 733				\$ 2,377		

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	\$ 1,300,000	\$ 32,032
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		\$ 32,032

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$1,300,000	\$ 5,200
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$1,300,000	\$ 11,167
TOTAL PREMIUM				\$ 16,367
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					
<p>Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment -- Physical Damage Coverages						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.				
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.				
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL PREMIUM						
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	400	\$ 1,258
	Number Of Partners (Active and Inactive)		
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
Total Premium			\$ 1,258

ITEM SIX

SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concerns
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

- A. Amounts paid to air, sea or land carriers operating under their own permits.
- B. Advertising revenue.
- C. Taxes collected as a separate item and paid directly to the government.
- D. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

COMMERCIAL AUTO
CA 00 01 03 10**BUSINESS AUTO COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
 - b. "Loss" caused by hitting a bird or animal; and

- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d. Any accessories used with the electronic equipment described in Paragraph **c.** above.

5. Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

c. An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or

d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- b. Removable from a permanently installed housing unit as described in Paragraph **2.a.** above or is an integral part of that equipment; or
- c. An integral part of such equipment.

3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this coverage form.

3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

5. Other Insurance

- a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:
 - (1) Excess while it is connected to a motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if:
 - (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

J. "Loss" means direct and accidental loss or damage.

K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or

6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
- b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

- 1. Damages because of "bodily injury" or "property damage"; or
- 2. A "covered pollution cost or expense"; to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

COMMERCIAL AUTO
CA 01 22 05 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS CHANGES**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Liability Coverage

1. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Care, Custody Or Control** Exclusion is replaced by the following:

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- d. The following is added to the **War** Exclusion:

This Exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- e. The **Racing** Exclusion, if contained in the coverage form, does not apply.
- f. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

2. Our Limit Of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident".
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident", and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

B. Changes In Physical Damage

1. The **"Diminution In Value"** Exclusion does not apply.
2. The Limit of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

C. Changes In Conditions

1. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

We will not pay in any case of fraud by you at any time as it relates to this Coverage Form. We will also not pay if you or any other "insured", knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented, any written statement relating to an insurance application, rating, claim or coverage under this Coverage Form which such person:

- a. Knows to contain materially false information; or
- b. Conceals, for the purposes of misleading, information

concerning any material fact.

2. The **Appraisal For Physical Damage Loss** Condition in the Business Auto, Garage, Truckers and Motor Carrier Coverage Forms and the **Appraisal** Condition in the Business Auto Physical Damage Coverage Form is replaced by the following:

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However an appraisal will be made only if both you and we agree, voluntarily to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

An appraisal decision will be binding.

COMMERCIAL AUTO
CA 01 43 05 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The term "spouse" is replaced by the following:
Spouse or registered domestic partner under California law.
- B.** The following are added to the **Other Insurance** Condition in the Business Auto and Garage Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier and Truckers Coverage Forms and supersede any provisions to the contrary:
 - 1.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a.** One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b.** The other provides coverage to a person not engaged in that business, and
 - c.** At the time of an "accident", a person described in Paragraph **1.b.** is operating an "auto" owned by the business described in Paragraph **1.a.**, then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph **1.a.** is excess over any coverage available to that person.
 - 2.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a.** One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b.** The other provides coverage to a person not engaged in that business, and
 - c.** At the time of an "accident" an "insured" under the Coverage Form described in Paragraph **2.a.** is operating an "auto" owned by a person described in Paragraph **2.b.**, then the Coverage Form issued to the business described in Paragraph **2.a.** is primary and the liability coverage issued to a person described in Paragraph **2.b.** is excess over any coverage available to the business.
 - 3.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:
 - a.** One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators, and
 - b.** The other provides coverage to a person other than as described in Paragraph **3.a.**, and
 - c.** At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph **3.a.**, and who is not the agent or "employee" of such Named Insured is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph **3.a.**, then the liability coverage provided by the Coverage Form or policy described in Paragraph **3.b.** is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph **3.a.** is excess over any coverage available to that person.

4. Notwithstanding Paragraph **B.3.**, when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:
- a. One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and
 - b. The other provides coverage to a Named Insured not engaged in that business; and
 - c. At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.**, then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".

C. As used in this endorsement:

"Commercial vehicle" means an "auto" subject to registration or identification under California law which is:

1. Used or maintained for the transportation of persons for hire, compensation or profit;
2. Designed, used or maintained primarily for the transportation of property; or
3. Leased for a period of six months or more.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 30 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. Any claim settled without our consent.
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 5. Punitive or exemplary damages.
- 6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Insurance shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$20,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Insurance Coverage as follows:

1. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.

- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. Transfer Of Rights Of Recovery Against Others To Us does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:
 - (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.

- (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$50,000 for "bodily injury" to any one person/\$100,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged; or
 - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 37 01 05**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By: (Authorized Representative)
Named Insured:	

SCHEDULE

LIMIT OF INSURANCE	
\$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if
 - a. or b. below applies:
 - a. The limit of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled or judgment reached without our consent if the settlement or judgment prejudices our right to recover payment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

4. "Bodily injury" sustained by an "insured" while "occupying" or when struck by any motor vehicle that is owned by or provided for the regular use of that "insured" for which the security required by Kansas law is not in effect.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident", is the limit of Uninsured Motorists Insurance shown in the Schedule or Declarations. We will apply the limit shown in the Schedule or Declarations to first provide the separate limits required by Kansas law as follows:

a. \$25,000 for "bodily injury" to any one person caused by any one "accident", and

b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. The limit for damages resulting from "bodily injury" caused by a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" applies separately from the limit for a vehicle described in Paragraphs **a.**, **c.** and **d.** of that definition.

3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage and any Liability Coverage Form, Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if the person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law or personal injury protection coverage.

4. Any amount paid under this insurance will reduce any amount an "insured" may be paid under the Coverage Form's Liability Coverage.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance** Provisions in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:

a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.

b. If there is other applicable insurance available under one or more policies or provisions of coverage, the maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved, and

- b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also:

- (1) Notify us in writing, by certified mail, of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
- (2) Allow us 60 days after receipt of the written notice to advance payment to that "insured", in an amount equal to the tentative settlement, to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

Such written notice shall include written documentation of all damages incurred, copies of all medical bills and written authorization or a court order to obtain reports from all employers and medical providers.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. We do not have a right of recovery with respect to damages resulting from an "accident" with a vehicle described in Paragraphs **a., c. and d.** of the definition of "uninsured motor vehicle" to which a liability bond or policy applies at the time of the "accident", but the bonding or insuring company is or becomes insolvent.
- c. Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:
 - (1) Have been given written notice by certified mail of a tentative agreement between the "insured" and the insuring company of the owner or operator of the underinsured motor vehicle to settle for liability limits; and

- (2) Fail to advance payments to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification:

- (1) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
- (2) We also have a right to recover the advance payment.

4. The Two Or More Coverage Forms Or Policies Issued By Us General Condition does not apply.

5. The Concealment, Misrepresentation Or Fraud General Condition does not apply.

6. The following condition is added:

ARBITRATION

- a. If, after a claim has been made, a dispute arises because we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the parties may agree to arbitration. **One party cannot force the other party into arbitration.** However, disputes concerning coverage under this endorsement may not be arbitrated. If the parties agree to arbitration, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. Any decision agreed to by the arbitrators will not be binding.
- c. Once arbitration is agreed to by both parties, either party has the right to bring arbitration under K.S.A. Sections 5-201 – 5-213 inclusive, in lieu of the arbitration procedure provided in this condition.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by Kansas law, or
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by Kansas law, but their limits are less than the limit of this insurance, or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent, or
 - d. For which neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying", provided the facts of the "accident" can be corroborated by competent evidence other than the testimony of any person having a claim under this or any other similar insurance as the result of such "accident".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned by a governmental unit or agency.
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 38 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:** \$ 1,000,000**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or
 - b. We and an "insured" have reached a "settlement agreement".

3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. Punitive or exemplary damages.
5. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Underinsured Motorists Coverage shown in this endorsement.
2. Except in the event of a "settlement agreement", the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Liability Coverage.
 - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
 - c. Under any automobile medical payments coverage.
3. In the event of a "settlement agreement", the maximum Limit of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form.

E. Changes In Conditions

The Conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".
- b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".
- c. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.

- b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply if, within two years after the date of the "accident":
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
 - (a) Filed in a court of competent jurisdiction; and
 - (b) Not barred by the applicable state statute of limitations.

In the event that the two-year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to Transfer Of Rights Of Recovery Against Others To Us:

Transfer Of Rights Of Recovery Against Others To Us does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and
- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle", damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "uninsured motor vehicle".

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 48 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOUISIANA UNINSURED MOTORISTS
COVERAGE – BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Louisiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided under this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy or as of the date indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE**

Limit Of Insurance: \$ 1,000,000	Each "Accident"
--	------------------------

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
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A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered "auto" is principally garaged, we will pay only after all liability bonds or policies have been exhausted by payments of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

d. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

C. Exclusions

This insurance does not apply to:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by an "insured" while "occupying" or struck by any vehicle owned by that "insured" that is not a covered "auto".
3. Punitive or exemplary damages.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of insurance bears to the total of all applicable limits. However, with respect to "bodily injury" sustained by an "insured":

- a. While "occupying" a vehicle owned by that person or while not "occupying" any vehicle, the maximum recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy.
- b. While "occupying" a vehicle not owned by that person, the following priorities of recovery will apply:
 - (1) The uninsured motorists coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident" will be primary.
 - (2) If the primary insurance is exhausted, any excess recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy. In no instance will more than one uninsured motorists coverage limit be available as excess insurance.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and

- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Transfer Of Rights Of Recovery Against Others To Us does not apply to vehicles described in Paragraph **b.** of the definition of "uninsured motor vehicle".

- 4. The following condition is added:

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, arbitration will take place only if we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the parish in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. Any decision of the arbitrators will not be binding on either party.

F. Additional Definitions

As used in this endorsement:

- 1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

- 2. "Occupying" means in, upon, getting in, on, out or off.

- 3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bonds or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. Which is an underinsured motor vehicle. An underinsured motor vehicle means a land motor vehicle or "trailer" to which a liability bond or policy affording coverage for "bodily injury" applies at the time of the accident but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages;
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - d. Which is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle the "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without any actual physical contact with the "insured", a covered "auto" or a vehicle the "insured" is "occupying". However, in such cases, the "insured" must show, by an independent and disinterested witness, that the "bodily injury" resulted from the actions of an unidentified motorist.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency; or
- b. Designed for use mainly off public roads while not on public roads.

COMMERCIAL AUTO
CA 21 53 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS
COVERAGE – PROPERTY DAMAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "property damage" caused by an "accident" arising out of actual physical contact with your covered "auto". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of an "uninsured motor vehicle".
2. Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

B. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
3. The first \$250 of the amount of "property damage" to a covered "auto" as a result of any one "accident".
4. Any motor vehicle owned by you for which you have purchased collision coverage under this policy or any other policy.
5. If the owner or operator of the "uninsured motor vehicle" cannot be identified.

6. "Property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Limit Of Insurance

1. Regardless of the number of covered "autos", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" will be the lesser of \$15,000 or the actual cash value of your damaged "auto" at the time of the "accident".
2. Any amount payable under this coverage shall be reduced by all sums paid by or for anyone who is legally responsible.

D. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage – Property Damage (Illinois) as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible "property damage" uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly send us copies of the legal papers if a suit is brought.
- b. Provide us with the name and address of the owner of the "uninsured motor vehicle" or a registration number and description of such vehicle, or any other available information to establish that there is no applicable motor vehicle property damage liability coverage.

3. **Legal Action Against Us** is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. **Transfer Of Rights Of Recovery Against Others To Us** does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages under this endorsement or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. The insured may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

E. Additional Definitions

As used in this endorsement:

1. "Property damage" means injury to or destruction of a covered "auto". However, "property damage" does not include loss of use or damage to personal property contained in your covered "auto". This definition replaces the definition in the policy.

2. "Uninsured motor vehicle" means a land motor vehicle or trailer:
- a. For which no liability bond or policy providing coverage for "property damage" applies at the time of the "accident"; or
 - b. For which no liability bond or policy at the time of an "accident" provides at least the amount required for "property damage" liability covered by the Illinois Financial Responsibility Law; or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency;
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 54 09 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA UNINSURED MOTORISTS COVERAGE –
BODILY INJURY**

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy.

However, Exclusion **4.** shall not apply to "bodily injury" sustained by an individual Named Insured or "family member" when struck by a vehicle owned by that "insured" and operated or caused to be operated by a person without that "insured's" consent in connection with criminal activity that has been documented in a police report and to which that "insured" is not a party to.

5. "Bodily injury" sustained by an individual Named Insured or any "family member" while "occupying" any vehicle leased by that Named Insured or any "family member" under a written contract for a period of six months or more that is not a covered "auto".

6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

7. "Bodily injury" sustained by an "insured" while "occupying" any "auto" that is rented or leased to that "insured" for use as a public or livery conveyance. However, this exclusion does not apply if the "insured" is in the business of providing public or livery conveyance.

8. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.
2. For a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", our Limit of Insurance shall be reduced by all sums paid because of "bodily injury" by or for anyone who is legally responsible, including all sums paid or payable under this policy's Liability Coverage.
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for California Uninsured Motorists Coverage – Bodily Injury as follows:

1. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Send us copies of the legal papers if a "suit" is brought. In addition, a person seeking coverage under Paragraph **b.** of the definition of "uninsured motor vehicle" must:
 - (1) Provide us with a copy of the complaint by personal service or certified mail if the "insured" brings an action against the owner or operator of such "uninsured motor vehicle";
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by us or furnish us copies at our expense; and
 - (3) Provide us with proof that the limits of insurance under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Legal Action Against Us is replaced by the following:

No legal action may be brought against us under this coverage form until there has been full compliance with all the terms of this coverage form and with respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle" unless within two years from the date of the "accident":

- a. Agreement as to the amount due under this insurance has been concluded;
- b. The "insured" has formally instituted arbitration proceedings against us. In the event that the "insured" decides to arbitrate, the "insured" must formally begin arbitration proceedings by notifying us in writing, sent by certified mail, return receipt requested; or
- c. "Suit" for "bodily injury" has been filed against the uninsured motorist in a court of competent jurisdiction.

Written notice of the "suit" must be given to us within a reasonable time after the "insured" knew, or should have known, that the other motorist is uninsured. In no event will such notice be required before two years from the date of the accident. Failure of the "insured" or his or her representative to give us such notice of the "suit" will relieve us of our obligations under this coverage form only if the failure to give notice prejudices our rights.

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

- a. With respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle", if we make any payment, we are entitled to recover what we paid from other parties. Any person to or for whom we make payment must transfer to us his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
- b. With respect to Paragraph **b.** of the definition of "uninsured motor vehicle", if we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this coverage form is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

5. The following Condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", the disagreement will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. However, disputes concerning coverage under this endorsement may not be arbitrated. Each party will bear the expenses of the arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. The decision of the arbitrator will be binding.

F. Additional Definitions

The following are added to the **Definitions** section:

1. "Family member" means the individual Named Insured's spouse, whether or not a resident of the individual Named Insured's household, and any other person related to such Named Insured by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or trailer:
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the Limit of Insurance for this coverage;
 - c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
 - d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - e. That is owned by an individual Named Insured or "family member" and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by the United States of America, Canada, a state or political subdivision of any of those governments or an agency of any of the foregoing; or
- c. Designed or modified for use primarily off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 59 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ALABAMA UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Alabama, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:
Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. No judgment for damages arising out of a "suit" brought against the owner or operator of an "uninsured motor vehicle" is binding on us unless we:
 - a. Received reasonable notice of the pendency of the "suit" resulting in the judgment; and
 - b. Had a reasonable opportunity to protect our interest in the "suit".

However, if reasonable notice has not been given to us, we have the option to accept the judgment in the suit as binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

1. Any claim settled without our consent.
However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the accident, the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Insurance shown in the declarations. If there is more than one covered "auto", our limit of insurance for any one "accident" is the sum of the limits applicable to each covered "auto", subject to a maximum of three covered "autos".
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

3. We will reduce the "insured's" total damages by any amount available to that "insured", under any bodily injury liability bonds or policies applicable to the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", that such "insured" did not recover as a result of a settlement between that "insured" and the insurer of such vehicle. However, any reduction of the "insured's" total damages will not reduce the limit of liability for this coverage.

This Paragraph (**D.3.**) shall not apply if we advance payment to the "insured" in an amount equal to the tentative settlement with the insurer of the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:
 - a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.
 - b. Any insurance we provide with respect to a vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form, shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved, and
 - b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and allow us 30 days to advance payment to that insured in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. **Transfer Of Rights Of Recovery Against Others To Us** is changed by adding the following:

Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:

 - a. Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
 - b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

 - a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
 - b. We have a right to recover the advanced payment.

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
4. **The Two Or More Coverage Forms Or Policies Issued By Us** General Condition does not apply to an individual Named Insured or any "family member".

**5. THE FOLLOWING CONDITION IS ADDED:
ARBITRATION**

A. IF WE AND AN 'INSURED' DISAGREE WHETHER THE 'INSURED' IS LEGALLY ENTITLED TO RECOVER DAMAGES FROM THE OWNER OR DRIVER OF AN 'UNINSURED MOTOR VEHICLE' OR DO NOT AGREE AS TO THE AMOUNT OF DAMAGES THAT ARE RECOVERABLE BY THAT 'INSURED', THEN THE MATTER MAY BE ARBITRATED. HOWEVER, DISPUTES CONCERNING COVERAGE UNDER THIS ENDORSEMENT MAY NOT BE ARBITRATED. BOTH PARTIES MUST AGREE TO ARBITRATION. IF SO AGREED, EACH PARTY WILL SELECT AN ARBITRATOR. THE TWO ARBITRATORS WILL SELECT A THIRD. IF THEY CANNOT AGREE WITHIN 30 DAYS, EITHER MAY REQUEST THAT SELECTION BE MADE BY A JUDGE OF A COURT HAVING JURISDICTION. THE ARBITRATION PROCEEDINGS SHALL COMMENCE WITHIN ONE YEAR AFTER THE DATE BOTH PARTIES AGREE TO SETTLE A DISPUTE BY ARBITRATION. ARBITRATION EXPENSES WILL BE DETERMINED BY THE ARBITRATOR ACCORDING TO ALABAMA LAW.

UNLESS BOTH PARTIES AGREE OTHERWISE, ARBITRATION WILL TAKE PLACE IN THE COUNTY IN WHICH THE 'INSURED' LIVES. LOCAL RULES OF LAW AS TO ARBITRATION PROCEDURE AND EVIDENCE WILL APPLY. A DECISION AGREED TO BY TWO OF THE ARBITRATORS WILL BE BINDING.

B. THIS ARBITRATION PROVISION WILL NOT APPLY IF LEGAL ACTION HAS BEEN COMMENCED BY THE 'INSURED' AGAINST THE OWNER OR OPERATOR OF AN 'UNINSURED MOTOR VEHICLE'.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides a limit that is less than the amount an "insured" is legally entitled to recover as damages caused by the "accident";
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Designed for use mainly off public roads while not on public roads.

COMMERCIAL AUTO
CA 04 24 04 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

COMMERCIAL AUTO
CA 04 48 12 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS COMMERCIAL AUTO COVERAGE CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes in Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. For coverage and limits required by the Kansas Financial Responsibility law, the **Fellow Employee** Exclusion is replaced by the following:

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

3. If the following endorsements are attached, they do not apply and are replaced in their entirety by the provisions of paragraph **D.** of this endorsement.

- a. Lessor — Additional Insured And Loss Payee endorsement **CA 20 01**; or
- b. Hired Autos Specified As Covered Autos You Own endorsement **CA 99 16**.

B. Changes in Definitions

The following is added to **SECTION V - DEFINITIONS**:

All reference to the term "total loss" shall mean a motor vehicle required to be registered in this state that has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

- C. If Repossessed Autos endorsement CA 20 19 is attached, Paragraph **D.3. Nonreporting Premium Basis** does not apply.

D. Kansas Additional Named Insured Provisions

Name of Owner	SCHEDULE	Described Owned Motor Vehicle
1.	1.	
2.	2.	
3.	3.	

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A.** Any vehicle described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire, borrow or lease under the coverage for which it is a covered "auto".
- B.** LIABILITY COVERAGE and Personal Injury Protection as prescribed in the Kansas Automobile Injury Reparations Act will apply to each owner named in the Schedule as an additional named insured but only while the motor vehicle described in the Schedule is being used by you or on your behalf.
- C.** The insurance will apply to the owner only while the described vehicle is leased to you.



Coverage Extension Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

1. The following is added to the **Who Is An Insured** Provision in **Section II – Liability Coverage**:

The following are also "insureds":

- a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you.
- b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.
- c. Anyone else who furnishes an "auto" referenced in Paragraphs **a.** and **b.** above.
- d. Any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" provided the "accident" arises out of operations contemplated by such contract or agreement.

2. The following is added to the **Other Insurance** Provision in the **Conditions** Section:

Coverage for any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" will apply on a primary basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the coverage form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Liability Coverage** are replaced by the following:

- (2) Up to \$5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section II – Liability Coverage** does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the **Racing** Exclusion in **Section II – Liability Coverage**:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

- a. Any amount paid under the **Physical Damage Coverage** Section of the coverage form; and
- b. Any:
 - (1) Overdue lease or loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

The following is added to Paragraph **A.2.** of the **Physical Damage Coverage** Section:

We will pay up to \$75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible will be \$100 or the deductible shown in the Declarations, whichever is less. If glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Loss Of Use Expenses** Provision of the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

- a. We will pay up to \$750 for "loss" to personal effects which are:
 - (1) Personal property owned by an "insured"; and

- (2) In or on a covered "auto".
- b. Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
- (1) The reasonable cost to replace; or
 - (2) The actual cash value.
- c. The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
- (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
 - (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
 - (3) Paintings, statuary and other works of art.
 - (4) Contraband or property in the course of illegal transportation or trade.
 - (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply.
2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

- (a) Are the property of an "insured"; and
- (b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is \$500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or coverage form and by another policy or coverage form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or coverage form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or coverage form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is \$5,000.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

Temporary Substitute Autos – Physical Damage

If Physical Damage Coverage is provided by this coverage form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

1. Breakdown;
 2. Repair;
 3. Servicing;
 4. "Loss"; or
 5. Destruction.
2. The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Temporary Substitute Autos – Physical Damage

We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- a.** In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

- (1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this coverage form if you unintentionally:

- (1) Fail to disclose any hazards existing at the inception date of this coverage form; or
- (2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph (5)(a) of the **Policy Period, Coverage Territory** Condition is replaced by the following:

- (a) A covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less; and

T. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

All other terms and conditions of this policy remain unchanged.



Who Is An Insured Amendment – Broad Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Garage Coverage Form
Motor Carrier Coverage Form
Truckers Coverage Form

1. The following is added to the **Who Is An Insured** provision of **Section II, Liability Coverage**:

A. Broadened Named Insured

1. Any organization of yours that has been acquired or formed prior to this policy period (other than a partnership, limited liability company or joint venture) but is not shown in the Declarations as of the effective date of this Coverage Form, will nevertheless qualify as a Named Insured if:
 - a. You maintain an ownership interest of more than 50% of such organization; and
 - b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above, no such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - a. Was newly acquired or formed by you in the preceding policy period in which we provided coverage, but was not reported to us before the end of that preceding policy period;
 - b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - c. Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance.

B. Newly Acquired or Formed Organizations as Named Insureds

1. **Newly Acquired Or Formed Organizations Other Than Partnerships, Joint Ventures or Limited Liability Companies**

Any organization you newly acquire or form during this policy period (other than a partnership, limited liability company or joint venture) will qualify as a Named Insured if:

- a. You have an ownership interest of more than 50% in such organization; and
- b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each newly acquired or formed organization shall remain qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above:

- a. No such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - (1) Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - (2) Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance; and
- b. Coverage will be afforded to any such organization qualifying as a Named Insured only until the end of this policy period if the organization is not reported to us during this policy period.

3. Newly Formed Partnerships, Limited Liability Companies, or Joint Ventures

Any partnership, limited liability company or joint venture you newly form during this policy period, where:

- a. You maintain an ownership interest;
- b. As respects any joint venture, you have agreed in the Joint Venture Agreement to name the joint venture as a Named insured to your policy; and
- c. Such partnership, limited liability company or joint venture has been organized under the laws of the United States of America (including any state thereof), its territories or possessions,

will qualify as a Named Insured, provided no other similar insurance was purchased for the partnership, limited liability company or joint venture. However, coverage under this provision is afforded only until the 90th day after you form the partnership, limited liability company or joint venture, or the end of the policy period, whichever is earlier, if the organization is not reported to us during this policy period.

- 4.** With regard to Paragraphs **1.** and **3.** above, the following additional provision applies:

No coverage shall apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you acquired or formed the organization.

All other terms and conditions of this policy remain unchanged.

COMMERCIAL AUTO
CA 99 03 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ('OFAC') regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site - <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

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**ZURICH****Exclusion of Certified Acts of Terrorism**

Insureds Name	Policy Number	Effective Date	Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

COMMERCIAL PROPERTY PORTFOLIO COVERAGE PART

SCHEDULE*

The exception relating to certain fire losses applies to property located in the following state(s), if covered by this insurance:

State(s)
CALIFORNIA, GEORGIA, HAWAII, IOWA, ILLINOIS, MAINE, MASSACHUSETTS,
MISSOURI, NEW JERSEY, NEW YORK, NORTH CAROLINA, OREGON, RHODE
ISLAND, VIRGIN ISLANDS, WASHINGTON,
WEST VIRGINIA AND WISCONSIN

*Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

A. Exclusion of Certified Acts of Terrorism

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism", including action in hindering or defending against an actual or expected "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

B. Exception Relating to Fire Losses Applicable to Property Located in Certain States

If the "certified act of terrorism" results in fire, we will pay for the direct physical loss or damage to Covered Property caused by that fire. This exception does not apply to any other loss or damage including but not limited to business income, extra expense, any additional coverage and any coverage extension.

C. Definition

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and

4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

D. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

E. Cap on Losses From Certified Acts of Terrorism

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.



CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number
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THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

This endorsement applies to all Coverage Parts included in this policy.

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

Disclosure Statement



It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

N/A - TRIA EXCLUDED

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

**COMMON POLICY DECLARATIONS**

Policy Number	CPO 5912284-00	Renewal of Number	NEW
Named Insured and Mailing Address	OMNICELL INC. 1201 CHARLESTON RD MOUNTAIN VIEW CA 94043-1337	Producer and Mailing Address	MARSH RISK & INSURANCE SERVS 1732 N 1ST ST STE 400 SAN JOSE CA 95112-4508

Producer Code 70074-000

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M.; Coverage ends 09-01-2013 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	120,693.00
GENERAL LIABILITY COVERAGE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	68,641.00
BUSINESS AUTOMOBILE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	70,456.00
CA-AUTO SPECIAL PURPOSE SURCHARGE	\$		5.40
STATE FIRE MARSHALL REG ASSESS SURCHG	\$		70.48
FL-DEPT OF REVENUE SURCHARGE	\$		4.00
FL-HURRICANE CAT FUND ASSESSMENT	\$		934.98
2005 FL CITIZENS EMERGENCY SURCHARGE	\$		704.82

THIS PREMIUM MAY BE SUBJECT TO AUDIT.

This premium does not include Taxes and Surcharges.

TOTAL \$ 259,790.00

SEE INSTALLMENT SCHEDULE

Taxes and Surcharges

TOTAL \$ 1,719.68

SEE INSTALLMENT SCHEDULE

Form(s) and Endorsement(s) made a part of this policy at time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS.**

Countersigned this day of

Authorized Representative

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.



Florida Hurricane Catastrophe Fund (FHCF) Emergency Assessment - 2005 Hurricanes

The Florida legislature created the FHCF in order to provide capacity to the personal and commercial residential property insurance market. In accordance with Florida law, deficits of the FHCF are funded through emergency assessments on direct premiums for certain property and casualty lines of business in the state of Florida.

The current FHCF emergency assessment is for the purpose of financing the FHCF's shortfall from the 2005 hurricane season. In order to fund this deficit, policies effective on or after January 1, 2011 are subject to an emergency assessment of 1.30% of premium for the following lines of business:

Fire, Allied Lines, Multi-Peril Crop, Farmowners Multi-Peril, Homeowners Multi-Peril, Commercial Multi-Peril (liability and non-liability), Mortgage Guaranty, Ocean Marine, Inland Marine, Financial Guaranty, Earthquake, Other Liability, Products Liability, Private Passenger Auto No-Fault, Other Private Passenger Auto Liability, Commercial Auto No-Fault, Other Commercial Auto Liability, Private Passenger Auto Physical Damage, Commercial Auto Physical Damage, Aircraft, Fidelity, Surety, Burglary and Theft, Boiler and Machinery, Credit, Warranty, and Aggregate Write Ins for Other Lines of Insurance.

The FHCF emergency assessment applicable to this policy is not subject to premium taxes, fees, or commissions.

Policy Number
CPO 5912284-00

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12

12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERV S

Agent No. 70074-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-681-B	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
U-GU-767-A CW	01-08	CAP ON LOSSES FROM CERTIFIED ACTS OF TER
U-GU-630-C	12-07	DISCLOSURE OF IMPORTANT INFO REL TO TRIA
U-GU-D-365-A	03-94	POLICY COMMON DECLARATIONS
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-406-A	07-94	INSTALLMENT PREMIUM SCHEDULE
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 02 70	08-11	CA CHANGES - CANCELLATION & NONRENEWAL
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONREN
IL 00 03	09-08	CALCULATION OF PREMIUM
IL 01 12	06-10	FL CHGS-MEDIATION/APPRL (CMML RES PROP)

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0101	03-11	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	03-11	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	03-11	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	03-11	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	04-09	ADDITIONAL COVERAGES FORM
PPP-0112	03-11	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	03-11	FINE ARTS COVERAGE FORM
PPP-0115	06-06	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	03-11	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-11	TRANSIT COVERAGE FORM
PPP-0130	03-11	BUS INC CVG FORM (EXCL EXTRA EXPENSE)
PPP-0219	03-11	NAMED STORM OCCURRENCE -- DD & TE DED
PPP-0301	04-09	DEP PREM BI CVG -- SCHED LIMITS & LOCS
PPP-0302	06-06	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-0310	06-06	FLOOD COVERAGE
PPP-0321	04-09	OFF-PREM SERVICE INTERRUPTION--TE
PPP-0132	04-09	EXTRA EXPENSE COVERAGE FORM
PPP-1041	03-11	CALIFORNIA CHANGES
PPP-1091	09-08	FLORIDA CHANGES
CP 02 99	11-85	CANCELLATION CHANGES

GENERAL LIABILITY FORMS AND ENDORSEMENTS

U-GL-1369-A	09-08	GL SUPPLEMENTAL COVERAGE ENDT TECHNOLOGY
U-GL-1370-A	09-08	GL SUPPLEMENTAL COV ENDT TECH QUICK REF
U-GL-1517-A CW	01-12	COLLCTN OR DISTRB OF MATRL OR INFO EXCL
U-GL-849-B CW	08-04	EMPLOYEE BENEFITS LIABILITY-CLAIMS MADE
U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-1113-A CW	10-02	COMM GENERAL LIABILITY COVERAGE SCHEDULE
U-GL-D-849-B CW	09-04	EMPLOYEE BENEFITS LIAB DEC - CLAIMS MADE
CG 00 01	12-07	COMMERCIAL GENERAL LIABILITY COV FORM
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED

U-GU-619-A CW (10/02)

Policy Number
CPO 5912284-00

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

CG 32 34	01-05	CALIFORNIA CHANGES
UGL850ACW	07-96	DEDUCTIBLE ENDORSEMENT CLAIMS-MADE
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 73	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM

AUTOMOBILE FORMS AND ENDORSEMENTS

U-CA-531-B	02-08	NOTICE REGARDING TERRORISM PREMIUM
U-CA-D-600B	06-10	BUSINESS AUTO DECLARATIONS
CA 00 01	03-10	BUSINESS AUTO COVERAGE FORM
CA 01 22	05-06	KANSAS CHANGES
CA 01 43	05-07	CALIFORNIA CHANGES
CA 21 30	11-08	IL UNINSURED MOTORISTS COVERAGE
CA 21 37	01-05	KS UNINSURED MOTORISTS COVERAGE
CA 21 38	11-08	IL UNDERINSURED MOTORISTS COV
CA 21 48	11-08	LA UM COVERAGE - BODILY INJURY
CA 21 53	03-06	IL UM COVERAGE PROPERTY DAMAGE
CA 21 54	09-09	CA UM COVERAGE - BODILY INJURY
CA 21 59	03-06	ALABAMA UM INSURANCE
CA 04 24	04-06	CA - AUTO MEDICAL PAYMENTS COVERAGE
CA 04 48	12-10	KANSAS COMMERCIAL AUTO COVERAGE CHANGES
U-CA-424-E CW	04-11	COVERAGE EXTENSION ENDORSEMENTS
U-CA-825A	03-11	WHO IS AN INSURED AMENDMENT - BROAD FORM
CA 99 03	03-06	AUTO MEDICAL PAYMENTS COVERAGE



Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amount shown below.

NAMED INSURED
OMNICELL INC.

POLICY NUMBER
CPO 5912284-00

PAYMENT DUE -----	STANDARD PREMIUM -----	TAXES PREPAID -----	TOTAL PREMIUM -----
09/01/12	\$ 103,925.00	\$ 1,719.68	\$ 105,644.68
12/01/12	\$ 51,955.00		\$ 51,955.00
03/01/13	\$ 51,955.00		\$ 51,955.00
06/01/13	\$ 51,955.00		\$ 51,955.00
TOTAL	\$ 259,790.00	\$ 1,719.68	\$ 261,509.68

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.

Policy Number
CPO 5912284-00

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured OMNICELL INC.

Effective Date: 09-01-12
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	1201 CHARLESTON RD MOUNTAIN VIEW, CA 94043	
003	001	3661 BURWOOD DR WAUKEGAN, IL 60085	
004	001	443 DONELSON PIKE STE 200 NASHVILLE, TN 37214	
005	001	1710 LITTLE ORCHARD PKWY SAN JOSE, CA 95125	
006	001	2003 GANDY BLVD SAINT PETERSBURG, FL 33702	
007	001	21540 DRAKE RD STRONGSVILLE, OH 44149	
008	001	5501-A AIRPORT BLVD TAMPA, FL 33634	

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2., 3. and 5. of the Cancellation Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
 - (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
 - (6) A determination by the Commissioner of Insurance that the:
 - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
 - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
 - b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
 - 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The refund, if any, will be computed on a pro rata basis. However, the refund may be less than pro rata if we made a loan to you for the purpose of payment of premiums for this policy.
- The cancellation will be effective even if we have not made or offered a refund.

B. The following provision is added to the **Cancellation** Common Policy Condition:

7. Residential Property

This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in **b.** and **c.** below.
- b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.

- c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (**c.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below.
- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.
- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
- (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
- (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.
3. We are not required to send notice of nonrenewal in the following situations:
- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b.** If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**
- c.** If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d.** If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e.** If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f.** If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.**, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
 STANDARD PROPERTY POLICY

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

(1) Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

(2) Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3)** Activities or omissions by you which change or increase any hazard insured against;
- (4)** Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;
- (5)** Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

- (6) The insured's violation or breach of any policy terms or conditions; or
- (7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through (7) above.

B. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

- a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**
- b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
- c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.

f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. The **Premiums** Common Policy Condition is replaced by the following:

Premiums

1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.

F. Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any other reason.

G. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.
2. We need not mail or deliver this notice if:
 - a. We or another company within our insurance group have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal Condition**:

Mediation Or Appraisal

If we and you:

- A.** Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

- B.** Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or
2. Failed to notify you of your right to participate in the mediation program.



Important Notice to Florida Policyholders

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1400 American Lane
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS

1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 3

PREMISES ADDRESS

3661 BURWOOD DR
WAUKEGAN, IL 60085

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES #	4	PREMISES ADDRESS
		443 DONELSON PIKE STE 200 NASHVILLE, TN 37214

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
FLOOD	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 100,000
WIND AND HAIL--DIRECT DAMAGE AND TIME ELEMENT	\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 5

PREMISES ADDRESS

1710 LITTLE ORCHARD PKWY
SAN JOSE, CA 95125

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 6

PREMISES ADDRESS

2003 GANDY BLVD
SAINT PETERSBURG, FL 33702

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

DEDUCTIBLE

AMOUNT

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 950,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

POLICY PERIOD:

From: 9/1/2012 To: 9/1/2013
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-00

SUMMARY OF PREMISES

PREMISES # 7

PREMISES ADDRESS

21540 DRAKE RD
STRONGSVILLE, OH 44149

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



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SUMMARY OF PREMISES

PREMISES # 8

PREMISES ADDRESS

5501-A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 100,000



Commercial Property Coverage Part Declarations

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BLANKET LIMITS OF INSURANCE

PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE \$ 33,200,000

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all **"personal property"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"personal property"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"personal property"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE \$ 26,500,000

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of **"business income"** and **"extra expense"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"business income"** or **"extra expense"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"business income"** or **"extra expense"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC.

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12:01 A.M. STANDARD TIME AT YOUR MAILING
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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE	
CIVIL AUTHORITY		
BUSINESS INCOME		30 DAYS
EXTRA EXPENSE		30 DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$	25,000 PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$	250,000 PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$	250,000 PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$	25,000 PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$	25,000 PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY		COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$	500,000 PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$	2,500 PER OCCURRENCE
DEFERRED PAYMENTS	\$	50,000 PER OCCURRENCE



Commercial Property Coverage Part Declarations

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COVERAGE	LIMIT OF INSURANCE
DEPENDENT BUSINESS INCOME--UNSCHEDULED \$ LOCATIONS	1,000,000 PER OCCURRENCE
ELECTRONIC VANDALISM	
BUSINESS INCOME	\$ 25,000 ANNUAL AGGREGATE
DIRECT DAMAGE	\$ 100,000 ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$ 25,000 PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME	COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME	UNLIMITED
EXTRA EXPENSE	\$ 25,000 PER PREMISES
FAIRS OR EXHIBITIONS	
BUSINESS INCOME	\$ 10,000 PER OCCURRENCE
PERSONAL PROPERTY	\$ 25,000 PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$ 250,000 PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS	COVERED



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COVERAGE

LIMIT OF INSURANCE

INFLATION GUARD

PERSONAL PROPERTY

4 % ANNUAL

INGRESS/EGRESS

BUSINESS INCOME

30 DAYS

EXTRA EXPENSE

30 DAYS

LOCK AND KEY REPLACEMENT

\$ 25,000 PER PREMISES

MICROORGANISMS

\$ 50,000 ANNUAL AGGREGATE

MICROORGANISMS--BUSINESS INCOME

\$ 25,000 ANNUAL AGGREGATE

NEWLY ACQUIRED PREMISES

REAL PROPERTY

\$ 2,000,000 FOR 180 DAYS

PERSONAL PROPERTY

\$ 1,000,000 FOR 180 DAYS

BUSINESS INCOME

\$ 250,000 FOR 180 DAYS

EXTRA EXPENSE

\$ 25,000 FOR 180 DAYS

THE ABOVE LIMITS APPLY SEPERATELY TO EACH
NEWLY ACQUIRED PREMISES

NEWLY ACQUIRED PROPERTY

REAL PROPERTY

\$ 250,000 PER PREMISES FOR 180 DAYS

PERSONAL PROPERTY

\$ 250,000 PER PREMISES FOR 180 DAYS



Commercial Property Coverage Part Declarations

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COVERAGE	LIMIT OF INSURANCE
OFF-PREMISES SERVICE INTERRUPTION--DIRECT DAMAGE	\$ 1,000,000 PER PREMISES
OFF-PREMISES SERVICE INTERRUPTION--BUSINESS INCOME AND EXTRA EXPENSE	\$ 1,000,000 PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS	\$ 250,000 PER PREMISES \$ 5,000 PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL--LAND AND WATER	\$ 50,000 ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY	180 DAYS
PROFESSIONAL FEES	\$ 25,000 PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES	
REAL PROPERTY	NOT COVERED
PERSONAL PROPERTY	NOT COVERED
BUSINESS INCOME	NOT COVERED
EXTRA EXPENSE	NOT COVERED
REWARD PAYMENTS	\$ 25,000 PER OCCURRENCE



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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE	
SALESPERSON'S SAMPLES	\$	25,000 PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$	100,000 PER PREMISES
THEFT DAMAGE TO BUILDINGS		COVERED
UNREPORTED PREMISES		
REAL PROPERTY	\$	100,000 PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$	500,000 PER UNREPORTED PREMISES
EXTRA EXPENSE	\$	250,000 PER UNREPORTED PREMISES
BUSINESS INCOME	\$	250,000 PER UNREPORTED PREMISES



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MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE	LIMIT OF INSURANCE		
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$	500,000	PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS)--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
FINE ARTS	\$	25,000	PER PREMISES
FINE ARTS--AWAY FROM PREMISES	\$	25,000	PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY STOCK TO BE INSTALLED	\$	50,000	PER OCCURRENCE--INSTALLATION PREMISES
	\$	50,000	PER OCCURRENCE--TEMPORARY STORAGE LOCATION
	\$	50,000	PER OCCURRENCE--TRANSIT
TOOLS AND EQUIPMENT			
SCHEDULED EQUIPMENT			NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$	1,000	PER ANY ONE ITEM
	\$	50,000	PER OCCURRENCE
<p>Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.</p>			
ORIGINAL INFORMATION PROPERTY	\$	500,000	PER PREMISES
ORIGINAL INFORMATION PROPERTY--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

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MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE

LIMIT OF INSURANCE

TRANSIT

PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
BUSINESS INCOME	\$	10,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

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DEDUCTIBLES

GENERAL DEDUCTIBLES

PROPERTY DEDUCTIBLE	\$	100,000 PER OCCURRENCE
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The above deductible applies to all loss, damage, cost, or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

BUSINESS INCOME AND EXTRA EXPENSE WAITING PERIOD	24 HOURS
---	----------

The above waiting period applies to all loss or expense covered by Business Income and Extra Expense coverages contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

OFF PREMISES SERVICE INTERRUPTION--TIME ELEMENT WAITING PERIOD	24 HOURS
--	----------

The above waiting period applies to all loss or expense covered by Off-Premises Service Interruption--Time Element coverage contained in this Commercial Property Coverage Part.



Commercial Property Coverage Part Declarations

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DEDUCTIBLES

CATASTROPHE PERIL DEDUCTIBLES

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by **"flood"** is subject to separate deductible amounts. The deductibles applicable to **"flood"** are stated in the Summary of Premises section of this Declarations for that specific **"premises"**. If the Flood coverage applies to loss or damage at **"reported unscheduled premises"**, the deductible amounts for **"reported unscheduled premises"** are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

WIND AND HAIL DEDUCTIBLES

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Summary of Premises section of this Declarations for that specific **"premises"**. If the Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, the deductible amounts for **"reported unscheduled premises"** are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

APPLICATION OF MULTIPLE DEDUCTIBLES

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. This provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**.



Commercial Property Coverage Part Declarations

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CATASTROPHE COVERAGE--LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those **"premises"** that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at **"reported unscheduled premises"**, those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMIT OF INSURANCE AND DEDUCTIBLES

FLOOD

PREMISES

SEE SUMMARY OF PREMISES SECTION

OCCURRENCE

\$ 1,000,000

ANNUAL AGGREGATE

\$ 1,000,000

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION

WIND AND HAIL--DIRECT DAMAGE AND TIME

ELEMENT

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION



Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a.** Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b.** Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and visa versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. However, this provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**, sprinkler leakage as a result of **"earth movement"**, **"flood"**, **"hamed storm"**, or wind and hail.

Loss or damage to Covered Property caused by **"earth movement"**, sprinkler leakage as the result of **"earth movement"**, **"flood"**, **"hamed storm"**, and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Sprinkler Leakage--Earth Movement Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.


ZURICH

Commercial Property Conditions

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ZURICH

Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage, including a description of the property involved.
- c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **"covered cause of loss"**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
- f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.

- g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, **"member"**, director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

- 1. All of its terms have been fully complied with; and

2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:
 - a. Pay the amount of the loss or damage;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. If we elect to exercise option 1.c. with respect to any branded or labeled **"merchandise"** or **"finished stock"**, you may:
 - a. Stamp salvage on the **"merchandise"** or **"finished stock"**, or its containers, if the stamp will not physically damage the **"merchandise"** or **"finished stock"**, or
 - b. Remove the brands or labels, if doing so will not physically damage the **"merchandise"** or **"finished stock"**. You must relabel the **"merchandise"** or **"finished stock"**, or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.
3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.

7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to **"personal property of others"** may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.
3. When this Commercial Property Coverage Part provides coverage for property in transit, and the property is being transported by an aircraft, the coverage territory is extended to anywhere in the world for that property while in transit, as long as either the origin or destination is included in 2. above and neither the origin nor destination is in any country upon which the United States government or Canadian government has imposed sanctions, embargoes, or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:

- a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
- a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be **"suspended equipment"** when the property is found to be in, or exposed to, a dangerous condition, provided we have:

- 1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as **"suspended equipment"**; and
- 2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of **"suspended equipment"** can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of **"suspended equipment"** will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of **"suspended equipment"** will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

- 1. Prior to a loss to your Covered Property or Covered Income.
- 2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured under this Commercial Property Coverage Part;
 - b. A business firm owned or controlled by you;

- c. A business firm, or an individual, that owns or controls you; or
- d. Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

1. We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
2. We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
3. We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**; plus
 - b. **"Continuing expenses"**.

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6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
- b. Seasonal activity planned in advance;
- c. Schedule delays due to weather; or
- d. Labor actions beyond your control.

7. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.

8. **"Continuing expenses"** means:

- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
- b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.

"Continuing expenses" does not mean:

- a. **"Extra expense"**;
- b. Expediting expense; or
- c. **"Research and development continuing expenses"**;
- d. Depreciation of **"stock"**, plant, or machinery damaged by a **"covered cause of loss"**; or
- e. Bad debts.

9. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

10. **"Contractor's equipment"** means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,

owned by you or owned by others in your care, custody, or control.

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- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. **'Contractor's employees' property'**; or
- e. Recreational watercraft.

11. **'Contributing locations'** means locations owned and operated by others who:

- a. You depend on to deliver materials or services to you, or others for your account; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

'Contributing locations' does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **'Manufacturing locations'**.

12. **'Covered cause of loss'** means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

'Covered cause of loss' does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or
- b. Damage.

13. **'Defective materials'** means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

14. **'Denial of service'** means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

15. **'Dependent premises'** means the following types of locations:

- a. **'Contributing locations'**;
- b. **'Recipient locations'**;
- c. **'Manufacturing locations'**; and
- d. **'Leader locations'**.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

'Dependent premises' does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

16. **"Duplicate information property"** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Duplicate information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**, or
- e. **"Electronic data processing hardware"**.

17. **"Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

18. **"Electronic data processing hardware"** means:

- a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;
- b. Telephone equipment; and
- c. Facsimile equipment.

"Electronic data processing hardware" does not mean computers, devices, or components which:

- a. Exist primarily to control or operate machinery or equipment or to produce **"stock in process"** or **"finished stock"**; or
- b. Are **"stock"**.

19. **"Electronic vandalism"** means:

- a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"**;
- b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of **"electronic data processing hardware"** and may destroy, alter, contaminate, or compromise the integrity, quality, or performance of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"**;
- c. Unauthorized viewing, copying, or use of any electronic **"accounts receivable records"**, **"duplicate information property"**, or **"original information property"**; and
- d. **"Denial of service"**.

20. **"Equipment breakdown cause of loss"** means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;

- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

21. **"Extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

"Extended period of indemnity" does not mean **"research and development extended period of indemnity"**.

22. **"Extra expense"** means operating expenses you incur during the **"period of restoration"** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **"suspension"** of or to continue those **"operations"** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **"period of restoration"**.

"Extra expense" does not mean:

- a. Costs incurred to purchase **"merchandise"** as a replacement for your **"finished stock"**;
- b. **"Continuing expenses"** or **"research and development continuing expenses"**;
- c. Costs to repair, rebuild, or replace any property, or research or restore **"original information property"**; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

23. **"Fine arts"** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.

24. **"Finished stock"** means **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale.

"Finished stock" does not mean **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.

25. **"Fire protection sprinkler system piping"** means valves, fittings, and piping located above the lowest floor, and limited to risers, check valves, control valves, gauges, feed mains, cross mains, branch lines, arm-overs, sprigs, and automatic sprinkler heads located inside the building as part of the fire protection sprinkler system.
26. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:
- a. The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - b. Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.
27. **"Fungus"** means any type or form of fungus, mold, or mildew and any mycotoxins, spores, scents, or by-products produced or released by fungi.
28. **"Goods you have manufactured"** means:
- a. Goods manufactured at a location you own or operate; and
 - b. Goods manufactured at a location that you do not own or operate, provided:
 - 1) You contracted for the goods to be manufactured exclusively for you; and
 - 2) You are the owner or licensee of the design, patent, trademark, or copyright for the goods.
29. **"Gross earnings"** means the sum of:
- a. Total net sales value of production in manufacturing **"operations"**;
 - b. Total net sales of **"merchandise"** in mercantile **"operations"**; and
 - c. Other earnings derived from **"operations"**;
- Less the cost of:
- a. **"Raw stock"** used in the production and manufacturing **"operations"** in a. above;
 - b. Supplies consisting of materials consumed directly in the conversion of such **"raw stock"** into **"finished stock"** or in supplying the services sold by you;
 - c. **"Merchandise"** sold, including packaging materials; and
 - d. Services purchased from others (not your employees, including leased or temporary employees) for resale that do not continue under contract.
30. **"Gross leasehold interest"** means:
- a. The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
 - b. The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.

Example:

Monthly rental value of your leased **"premises"**: \$1,000

Monthly rent including taxes, insurance, janitorial,
or other services that you pay for as part of the rent: - \$700

'Gross leasehold interest' \$300

31. **'Improvements and betterments'** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you; and
- c. Which you cannot remove legally.

32. **'Installation property'** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **'installation or service premises'**.

'Installation property' does not mean **'landscaping materials'**.

33. **'Installation or service premises'** means a location that is not owned, leased, or operated by you, at which you are installing or servicing property.

'Installation or service premises' does not mean a **'rigging premises'**.

34. **'Landscaping materials'** means trees, shrubs, plants, grass, lawns, and other landscaping materials owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **'installation or service premises'**.

'Landscaping materials' does not mean trees, shrubs, plants, grass, lawns, and other landscaping materials that exist as a permanent part of an **'installation or service premises'** prior to the start of the project.

35. **'Leader locations'** means locations owned and operated by others who you depend on to attract customers to your business.

36. **'Malfunction'** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.

37. **'Manager'** means a person elected by the **'members'** to direct the limited liability company's business affairs.

38. **'Manufacturing locations'** means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.

39. **'Market value'** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.

40. **'Member'** means an owner of a limited liability company represented by its membership interest, who also may serve as a **'manager'**.

41. **'Merchandise'** means:

- a. Goods held for sale or installation by you which are not **'goods you have manufactured'**; and
- b. **'Goods you have manufactured'** which are completed and ready for packing, shipment, installation, or sale on a **'premises'** or **'reported unscheduled premises'** of any retail outlet at which you are insured by Business Income Insurance.

42. **'Microorganism'** means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, **'fungus'**, wet or dry rot, virus, algae, or bacteria, or any by-product.

43. **"Mistake"** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.

44. **"Money"** means:

- a. Currency, coins, bullion, or bank notes, whether or not in current use; and
- b. Travelers checks, register checks, food stamps, and money orders held for sale to the public.

45. **"Monthly leasehold interest"** means the original costs you paid for:

- a. Bonus Payments – **"Money"** you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
- b. Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment	\$4,000
With 20 months left in the lease at the time of Bonus Payment	÷20
"Monthly leasehold interest"	\$200

46. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.

47. **"Net leasehold interest"** means the sum of:

- a. The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
- b. Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000
"Net leasehold interest"	
Subtotal a. + Subtotal b.	\$9,526

48. **"Newly acquired premises"** means a permanently fixed location you own, lease, rent, or control. The location becomes a **"newly acquired premises"** on the later of:

- a. The date you obtain possession or control of the location; or
- b. The date **"real property"** or **"personal property"** in which you have an insurable interest is first placed at the location.

"Newly acquired premises" does not mean:

- a. A **"premises"**;
- b. An **"unreported premises"**;
- c. A **"reported unscheduled premises"**;
- d. A fair or exhibition;
- e. An **"installation or service premises"**;
- f. A **"rigging premises"**; or
- g. A **"temporary storage location"**.

49. **"Off-premises service interruption"** means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

50. **"Operations"** means:

- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
- b. The covered location is tenantable prior to the physical loss or damage.

"Operations" does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **"Research and development operations"**.

51. **"Original information property"** means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Original information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**;
- e. **"Electronic data processing hardware"**; or
- f. **"Research and development property"**.

52. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**, or
- d. **"Stock"**.

53. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

54. **"Personal property"** means:

- a. **"Your personal property"**;
- b. **"Your employees' personal property"**;
- c. **"Personal property of others"** in your care, custody, or control;
- d. The value of labor, materials, or services furnished or arranged by you on **"personal property of others"**;
- e. Your interest in **"improvements and betterments"** to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Money"**, bills, notes, or **"securities"**;
- e. Contraband or property in the course of illegal transportation or trade;
- f. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as **"stock"** while inside of buildings;
- g. **"Fine arts"**;
- h. **"Original information property"**;
- i. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;
 But not:
 - 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
 - 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
 - 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- j. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- k. **"Research and development property"**.

55. **"Personal property of others"** means personal property not owned by you, your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).
56. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant, or **"contaminant"**, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
57. **"Premises"** means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **"time element coverage"**, **"premises"** includes those portions of the location not rented or intended to be rented to others.

58. **"Raw stock"** means material in the state in which you acquired it for conversion into **"finished stock"**.

59. **"Real property"** means:

- a. Buildings;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **"premises"** or **"reported unscheduled premises"**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

"Real property" does not mean:

- a. **"Fine arts"**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **"Outdoor trees, shrubs, plants, or lawns"**;
- g. **"Research and development property"**;
- h. **"Contractor's equipment"**;
- i. **"Contractor's employees' property"**;
- j. **"Installation property"**;
- k. **"Landscaping materials"**, or

I. Property of others in your care, custody, or control for **"rigging"**.

60. **"Recipient locations"** means locations owned or operated by others, who you depend on to accept your products or services.

61. **"Replacement cost"** means the lesser of:

a. Repair Cost

The cost to repair the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the **"real property"** when those costs are a consequence of enforcement of such codes.

b. Rebuild Cost

The cost to rebuild the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. Replace Cost

The cost to replace the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and **"personal property"** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **"real property"** or **"personal property"**.

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of **"real property"** or **"personal property"** at the **"premises"** or **"reported unscheduled premises"**, and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, **"replacement cost"** includes the costs to demolish and clear the site of the undamaged portion of the **"real property"** or **"personal property"**.

"Replacement cost" does not mean:

- a.** Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
- b.** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by **"pollutants"** or due to the presence, growth, proliferation, spread, or any activity of **"microorganisms"**; or
- c.** Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.

62. **"Reported unscheduled premises"** means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, business income, or extra expense to be covered; and
- c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. An **"unreported premises"**;
- d. A fair or exhibition;
- e. An **"installation or service premises"**;
- f. A **"temporary storage location"**;
- g. A **"rigging premises"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

63. **"Research and development continuing expenses"** means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.

64. **"Research and development extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph **b.** of the Extended Period of Indemnity Additional Coverage; or
- b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

65. **"Research and development operations"** means your business activities where **"research and development property"** is being planned, created, developed, or tested.

66. **"Research and development property"** means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;

- e. Biological products, processes, or cultures; and
- f. **'Research animals'**.

'Research and development property' does not mean:

- a. Animals, other than **'research animals'**;
- b. **'Money'**, bills, notes, or **'securities'**;
- c. **'Stock'**;
- d. **'Fine arts'**; or
- e. Growing plants or crops.

67. **'Research animal'** means any multi-cellular organism that is used in your **'research and development operations'**.

68. **'Rigging'** means rigging, hoisting, moving, erecting, lowering, and millwright work.

69. **'Rigging premises'** means a location for the purpose of:

- a. **'Rigging'**;
- b. Assembling or dismantling work done in connection with a **'rigging'** project; or
- c. Operations incidental to a **'rigging'**, assembling, or dismantling project.

70. **'Salespersons samples'** means **'personal property'** that is in the custody of one of your salespersons and used only for sample purposes.

71. **'Securities'** means negotiable and non-negotiable instruments or contracts representing either **'money'** or property and includes:

- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

'Securities' does not mean:

- a. **'Money'**; or
- b. Lottery tickets held for sale.

72. **'Sinkhole collapse'** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

'Sinkhole collapse' does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **'flood'**; or
- c. Cost of filling sinkholes.

73. **'Specified causes of loss'** means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. **'Sinkhole collapse'**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:
 - 1) **'Personal property'** in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice, or sleet;
- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. **'Equipment breakdown cause of loss'**, excluding loss of or damage to **'stock'** caused by the discharge, dispersal, release, or escape of refrigerants.

74. **'Stock'** means the following:

- a. **'Raw stock'**;
- b. **'Stock in process'**;
- c. **'Finished stock'**; and
- d. **'Merchandise'**.

75. **'Stock in process'** means **'raw stock'** which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become **'finished stock'**.

76. **'Suspended equipment'** means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.

77. **"Suspension"** means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

78. **"Temporary storage location"** means a permanently fixed location where **"stock"** or **"installation property"** that is to become a permanent part of an **"installation or service premises"** is stored while waiting to be delivered to an **"installation or service premises"**:

- a. That you do not own, lease, or operate; and
- b. Where there is a written construction or installation contract or agreement to install **"stock"** or **"installation property"** at that **"installation or service premises"**.

"Temporary storage location" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition; or
- f. An **"unreported premises"**.

79. **"Time element coverage"** means the coverage provided under any of the following:

- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);
- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

80. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"installation or service premises"**;
- g. A **"temporary storage location"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

81. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).
82. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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ZURICH

Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"real property"** or **"personal property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any **"off-premises service interruption"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **'premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off a **'premises'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **'equipment breakdown cause of loss'**, **'mistake'**, or **'malfunction'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **'equipment breakdown cause of loss'** to **'suspended equipment'**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:

1. \$2,500 for furs, fur garments, and garments trimmed with fur.
2. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- a. Jewelry or watches worth \$100 or less per item; or
- b. Precious or semiprecious stones or metals used for industrial purposes.
3. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **'replacement cost'**; or
 - b. The **'amount you actually spend'** to repair, rebuild, or replace the **'real property'** or **'personal property'** at the same or another location.
2. Except as provided in 3., 5., 6., and 7. below, **'real property'** or **'personal property'**, other than **'improvements and betterments'**, which is not repaired, rebuilt, or replaced will be valued at the **'actual cash value'** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **'real property'** or **'personal property'** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **'actual cash value'** previously paid and the **'replacement cost'** at the time of loss or damage.
3. **'Merchandise'** which has been sold but not delivered and **'finished stock'** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **'Stock in process'** at the value of **'raw stock'**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **'Improvements and betterments'** at:
 - a. The **'replacement cost'** if you make repairs with reasonable speed.

b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:

- 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- 2) Divide the amount determined in 1) above by the number of days from the installation of **"improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.

c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.

6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.

7. **"Duplicate information property"** at the lesser of:

- a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
- b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

1. The amount of covered loss or damage at the **"premises"**; or
2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

1. Any Limit of Insurance applicable to more than one **"premises"**; or
2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.


ZURICH

Additional Coverages Form

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Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for **"stock"** under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to **"stock"** under the Consequential Loss--Undamaged Stock Additional Coverage, or any other Additional Coverage for **"stock"**.

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss--Net Leasehold Interest

We will pay for the loss of **"net leasehold interest"** you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**. We will not pay more than the **"net leasehold interest"** at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the **"premises"** or **"reported unscheduled premises"** under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the **"premises"** or **"reported unscheduled premises"** where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss--Tenant's Improvements and Betterments

We will pay for the value of undamaged **"improvements and betterments"** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

- a. At least 25% of the area of that entire building has been damaged; or
- b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

- a. A minimum of 6 months remains in your lease; and
- b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss--Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
 - 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. Electronic Vandalism--Direct Damage

We will pay for loss of or damage to **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of covered loss of or damage to **"real property"** or **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property"** or **"personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
- b. In transit to or from fairs or exhibitions,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a **"covered cause of loss"**.

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 =$	\$ 3,200
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a **"premises"** or **"reported unscheduled premises"** are stolen; or

- b. Entry lock repair or replacement made necessary by theft or attempted theft at a **'premises'** or **'reported unscheduled premises'**.

The most we will pay under this Additional Coverage at any one **'premises'** or **'reported unscheduled premises'** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. **Microorganisms**

We will pay the following when **'microorganisms'** are the result of a **'covered cause of loss'**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **'microorganisms'**, including the cost of removal of the **'microorganisms'**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **'microorganisms'**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **'microorganisms'** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **'microorganisms'** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. **Newly Acquired Premises**

We will pay for direct physical loss of or damage to **'real property'** or **'personal property'** at a **'newly acquired premises'** directly caused by a **'covered cause of loss'**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **'newly acquired premises'** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **'newly acquired premises'**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **'newly acquired premises'**.

The most we will pay under this Additional Coverage at any one **'newly acquired premises'** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. **Newly Acquired Property**

We will pay for direct physical loss of or damage to:

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- a. Your newly acquired or constructed **'real property'** at a **'premises'** if coverage is not currently shown for **'real property'** at that **'premises'** on the Declarations; and
- b. Your newly acquired **'personal property'** at a **'premises'** if coverage is not currently shown for **'personal property'** at that **'premises'** on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **'real property'** begins or completed **'real property'** or **'personal property'** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **'real property'** begins or **'personal property'** or completed **'real property'** is acquired.

The most we will pay under this Additional Coverage at any one **'premises'** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption--Direct Damage

We will pay for direct physical loss of or damage to **'real property'** and **'personal property'** at a **'premises'** or **'reported unscheduled premises'** directly caused by an **'off-premises service interruption'**. The interruption must result from direct physical loss or damage directly caused by a **'covered cause of loss'** to any property located away from the **'premises'** or **'reported unscheduled premises'** and used to provide any of the following services to the **'premises'** or **'reported unscheduled premises'**:

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one **'premises'** or **'reported unscheduled premises'** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to **'outdoor trees, shrubs, plants, or lawns'** at a **'premises'** or **'reported unscheduled premises'** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or

e. Aircraft.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal--Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal--Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency;
or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"**, other than **"salespersons samples"** or property in transit, at an **"unreported premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.



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**Accounts Receivable Coverage Form
(Revenue Loss)**

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ZURICH

Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)--Away From Premises

We will also pay for:

1. The **"money"** due you from customers that you are unable to collect;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **'mistake'** or **'malfunction'** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **'mistake'** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **'electronic data processing hardware'** or component parts.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **'mistake'** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing

of part or all of any property on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off a **'premises'** or **'reported unscheduled premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **'accounts receivable records'**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **'members'**, officers, **'managers'**, employees (including

leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"accounts receivable records"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"accounts receivable records"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **"accounts receivable records"**, the following method will be used to determine the amount of covered loss, damage, or expense:

- 1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
- 2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

- 1. The amount of the accounts receivable for which there is no loss or damage;
- 2. The amount of the accounts receivable that you are able to re-establish or collect;
- 3. An amount to allow for probable bad debts that you are normally unable to collect; and
- 4. All unearned interest and service charges.

Fine Arts Coverage Form



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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

- a. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"fine arts"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"fine arts"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"fine arts"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **'flood'**. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **'flood'** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **'fine arts'** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **'real property'**; or
- 2) Covered **'personal property'**;

directly caused by a **'covered cause of loss'**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **'pollutants'** or **'microorganisms'**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **'microorganisms'**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'**, **'malfunction'**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to **"fine arts"** caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **'Fine arts'** are valued based on the lesser of:
 - a. **'Market value'** at the time of loss or damage; or
 - b. The value of **'fine arts'** that are individually listed and described on the schedule on file with us.

2. Pairs or Sets

In case of loss to any part of a pair or set, we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between the value of the pair or set before and after the loss.



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Installation and Service Property Coverage Form

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Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"installation or service premises"**; or
- b. In transit, to or from an **"installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

5. **Governmental Action**

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **"real property"** containing covered **"personal property"** directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

6. **Loss of Market or Delay**

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. **Microorganisms**

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **'mistake'** or **'malfunction'**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **'mistake'** or **'malfunction'**.

This exclusion does not apply to:

- a. **'Stock'** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **'stock'** caused by or resulting from a **'mistake'** or **'malfunction'** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **'stock'**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **'mistake'** in:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation, or remodeling; or
 - 4) Maintaining or servicing,

of part or all of any property on or off an **'installation or service premises'**.

But if a result of one of these excluded causes of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **'defective materials'** into part or all of any property on or off an **'installation or service premises'**.

But if a result of this excluded cause of loss is a **'covered cause of loss'**, we will pay for that portion of the loss or damage which was solely caused by that **'covered cause of loss'**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **'equipment breakdown cause of loss'**, **'mistake'**, or **'malfunction'**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to **"personal property"** that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for **"stock"** by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **'replacement cost'**; or
 - b. The **'amount you actually spend'** to repair, rebuild, or replace Covered Property.
2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **'actual cash value'** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **'actual cash value'** previously paid and the **'replacement cost'** at the time of loss or damage.
3. **'Merchandise'** and **'finished stock'** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **'Stock in process'** at the value of **'raw stock'**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. Covered Property which has been permanently removed from service at **'actual cash value'**.
6. **'Duplicate information property'** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form



A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"original information property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"original information property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event

would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"original information property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is not other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged **"original information property"** at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your **"original information property"**. We will not include the cost of making additional copies.



Transit Coverage Form

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Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
3. General average and salvage charges on shipments while waterborne,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"installation or service premises"**;
5. **"Stock"** in transit to or from an **"installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

10. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to **"personal property"** in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If **"personal property"** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **"personal property"** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace **"personal property"**.

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



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**Business Income Coverage Form
(Excluding Extra Expense)**

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Business Income Coverage Form (Excluding Extra Expense)

A. COVERAGE

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"premises"** or **"reported unscheduled premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Electronic Vandalism

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Business Income.

4. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form.

5. Extended Period of Indemnity

If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

6. Fairs or Exhibitions

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Business Income.

7. Ingress/Egress

We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be directly caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

8. Microorganisms

We will pay for the actual loss of **"business income"** you sustain due to the:

- a. Necessary **"suspension"** of your **"operations"** from direct physical loss of or damage to Covered Property caused by **"microorganisms"** when the **"microorganisms"** are the result of a **"covered cause of loss"**; or
- b. Prolonged **"period of restoration"** due to the remediation of **"microorganisms"** from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms--Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the **"microorganisms"** continue to be present, active, or recur.

9. Newly Acquired Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Business Income.

10. Reported Unscheduled Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Business Income.

11. Transit

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Business Income.

12. Unreported Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Business Income.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**; or
- d. **"Personal property"** in transit.

2. Fine Arts

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"original information property"**.

4. Personal Property in Transit

The exclusions in paragraphs 5., 6., and 7. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"personal property"** in transit.

5. Finished Stock

We will not pay for loss of **"business income"** caused by or resulting from:

- a. Loss of or damage to **"finished stock"**; or
- b. The time required to replace **"finished stock"**.

6. Off-Premises Service Interruption

We will not pay for loss of **"business income"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

7. Suspension, Lapse, or Cancellation

We will not pay for any loss of **"business income"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused

by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"extended period of indemnity"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for loss of **"business income"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** in any one occurrence until the amount of loss exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of loss in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION

1. Sources of Information

The amount of **"business income"** loss will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of **"net income"** will be determined based on:

- a. The **"net income"** of the business before the direct physical loss or damage occurred; and
- b. The likely **"net income"** of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of **"continuing expenses"** will be those expenses which are necessary to resume your **"operations"** with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"extended period of indemnity"**.

4. Resumption of Operations

We will reduce the amount of the **"business income"** loss payment:

- a. To the extent you could resume your **"operations"**, in whole or in part, by using damaged or undamaged property, including **"stock"**, or
- b. To the extent you could resume your **"operations"**, in whole or in part, by using any other location.

5. Finished Stock and Merchandise

Lost or damaged **"finished stock"** or **"merchandise"** that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of **"business income"** is the lesser of:

- a. The amount of loss incurred during the 120 days immediately following the beginning of the **"period of restoration"**; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

2. Monthly Limit of Indemnity

The most we will pay for loss of **"business income"** in each period of 30 consecutive days after the beginning of the **"period of restoration"** is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The Extended Period of Indemnity Additional Coverage does not apply.

Example:

If:

- a. The Limit of Insurance is \$120,000.
- b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



Named Storm Occurrence--Direct Damage and Time Element Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
CONTRACTOR'S EQUIPMENT COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

- A. The Named Storm Occurrence--Direct Damage and Time Element Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
- B. With respect to all **'premises'** at which the Named Storm Occurrence--Direct Damage and Time Element Deductible shown on the Declarations applies, the following is added to the Deductible section in the following forms:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
CONTRACTOR'S EQUIPMENT COVERAGE FORM
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
INSTALLATION PROPERTY COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

With respect to all loss or damage caused directly or indirectly by a **'hamed storm'**, regardless of whether any other cause or event, including a **'mistake'**, **'malfunction'**, or another weather condition, contributes concurrently or in any sequence to the loss, the following applies:

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of all covered loss, damage, cost, or expense exceeds the Named Storm Occurrence--Direct Damage and Time Element Deductible shown on the Declarations for **'premises'** at which the Deductible applies. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

This Deductible applies to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by a **"hamed storm"** even if no other deductible applies to the **"time element coverage"**.

C. The following is added to the COMMERCIAL PROPERTY DEFINITIONS:

"Named storm" means a specific storm system that has been named by the National Hurricane Center (NHC) or Central Pacific Hurricane Center (CPHC), beginning when the NHC or CPHC issues a watch or warning and ending 72 hours after the termination of the watch or warning.



ZURICH

Dependent Premises Business Income Coverage--Scheduled Limits and Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE*

Name, Occupancy, and Location of "Dependent Premises"	Limit of Insurance	Deductible
--	---------------------------	-------------------

(A) "Contributing Locations":

(B) "Recipient Locations":

(C) "Manufacturing Locations":

KaGa Electronics, Hong Kong Room 1709-1710, 17/F Miramar Tower 132 Nathan Rd, Tsimshatsui, Kowloon, Hong Kong	\$5,000,000	\$500,00
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(D) "Leader Locations":

*Information required to complete this Schedule, if not shown on this endorsement, will be shown on the Declarations.

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above at that **"dependent premises"**.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"** described in the Schedule above.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** shown in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

We will not pay more than the applicable Limit of Insurance shown in the Schedule above for that **"dependent premises"**.

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.

F. DEDUCTIBLE

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, Section E. Deductible in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE), the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY, and the EXTRA EXPENSE COVERAGE FORM is replaced by the following:

We will not pay for any loss of **"business income"** or **"extra expense"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductible shown in the Schedule above at that **"dependent premises"**

where the loss or damage occurred. We will then pay the amount of loss or expense in excess of the Deductible, up to the applicable Limits of Insurance.

Any other deductible otherwise applicable to "**business income**" or "**extra expense**" does not apply to coverage provided by this endorsement.



ZURICH

Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will also pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

The most we will pay under this Optional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

'Period of restoration' means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a **'dependent premises'**; and
- b. Ends on the date when the property at that **'dependent premises'** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

'Period of restoration' does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **'pollutants'** or **'microorganisms'**.

The expiration of this policy will not cut short the **'period of restoration'**.

- F. Coverage provided by this endorsement does not apply at any location at which **'business income'** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)–TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM**

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage--Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Dependent premises"**;
2. Fairs or exhibitions;
3. **"Newly acquired premises"**;
4. **"Reported unscheduled premises"**;
5. **"Unreported premises"**; or
6. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by **"flood"** at any one **"premises"** is the Limit of Insurance shown on the Declarations for Flood for that **"premises"**.

2. Occurrence Limit

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by **"flood"**, regardless of the number of **"premises"** involved, is the occurrence Limit of Insurance shown on the Declarations for Flood.

3. Annual Aggregate Limit

The most we will pay for loss or damage caused directly or indirectly by **"flood"** in any one policy year, regardless of the number of occurrences or **"premises"** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Flood.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by **"flood"**, the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water/ Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
1	X		X		X
5	X		X		X
6	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water/ Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
8	X		X		X
3	X		X		X
7	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water/ Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
4	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
- 3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.



ZURICH

Extra Expense Coverage Form

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ZURICH

Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur due to the action of a civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"** caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Civil Authority from the date the civil authority prohibits access.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Ingress/Egress following the date the physical obstruction prohibits ingress or egress.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Extra Expense.

4. Reported Unscheduled Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Extra Expense.

5. Unreported Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Extra Expense.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**; or
- c. **"Outdoor trees, shrubs, plants, or lawns"**.

2. Fine Arts

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"original information property"**.

4. Off-Premises Service Interruption

We will not pay for **"extra expense"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for **"extra expense"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any **"extra expense"** from such suspension, lapse, or cancellation which occurs after the **"period of restoration"**.

D. LIMITATIONS**1. Idle Periods**

We will not pay for **"extra expense"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in **"extra expense"** caused by delay in rebuilding, repairing, or replacing property or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for **"extra expense"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any **"extra expense"** in any one occurrence until the amount of **"extra expense"** exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of **"extra expense"** in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of **"extra expense"** will be based on relevant sources of information, including, but not limited to :

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of **"extra expense"** will be determined based on:

- a. All **"extra expense"** that exceeds the normal operating expenses that would have been incurred by your **"operations"** during the **"period of restoration"** if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the **"extra expense"** that otherwise would have been incurred.

We will deduct from the total **"extra expense"** the salvage value of any property bought for temporary use during the **"period of restoration"**, once **"operations"** are resumed.

3. Resumption of Operations

We will reduce the amount of **"extra expense"** to the extent you can return **"operations"** to normal and discontinue such **"extra expense"**.



California Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

COMMERCIAL PROPERTY CONDITIONS

- A. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- B. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by a **'covered cause of loss'** other than fire:

This Commercial Property Coverage Part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- C. Except as provided in D. below, the Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form, or if not stated, the **'actual cash value'** and **'replacement cost'**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

- D. The Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect losses covered by the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY:

If we and you disagree on the amount of **"net income"** and **"continuing expenses"** or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of **"net income"** and **"continuing expenses"** or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.



Florida Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following provisions only apply with respect to **"premises"** and **"reported unscheduled premises"** in the state of Florida:

A. The following provision applies when the Additional Condition--Coinsurance endorsement is applicable:

Florida Law states as follows:

Coinsurance contract: The rate charged in this Commercial Property Coverage Part is based upon the use of the coinsurance clause attached to this Commercial Property Coverage Part, with the consent of the insured.

B. If wind is a **"covered cause of loss"** and loss or damage to Covered Property is caused by or resulting from wind, the following is added to Section B., Excluded Causes of Loss, in the REAL AND PERSONAL PROPERTY COVERAGE FORM and applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:
 - a. Indian River; and
 - b. St. Lucie.

Wind Exterior

We will not pay for loss or damage caused by or resulting from wind to paint or waterproofing material applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by wind in the course of the same wind event. But such coverage applies only if wind is a **"covered cause of loss"**.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Wind and Hail Deductible;

- b. The amount of Named Storm Deductible; or
 - c. The value of Covered Property when applying the coinsurance percentage.
- C. Paragraph 6. in the Loss Payment Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:
- 6. If you have complied with all of the terms of this Commercial Property Coverage Part, we will pay for covered loss or damage upon the earliest of the following:
 - a. Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
 - b. Within 30 days after we receive the sworn proof of loss; and
 - 1) There is an entry of a final judgment; or
 - 2) There is a filing of an appraisal award with us; or
 - c. Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90 day time period for payment of claim relates to the portion of the claims that is not denied.
- This paragraph c. applies only to the following:
- 1) A claim under the Commercial Property Coverage Part covering residential property;
 - 2) A claim for **"real property"** or **"personal property"** coverage if the insured structure is 10,000 square feet or less and the Commercial Property Coverage Part covers only **"premises"** or **"reported unscheduled premises"** in Florida; or
 - 3) A claim for **"personal property"** coverage under a tenant's policy if the rented **"premises"** or **"reported unscheduled premises"** are 10,000 square feet or less and the Commercial Property Coverage Part covers only **"premises"** or **"reported unscheduled premises"** in Florida.

- D. The following is added to the COMMERCIAL PROPERTY DEFINITIONS:

"Catastrophic ground cover collapse" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. Structural damage to the building, including the foundation; and
- d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

"Catastrophic ground cover collapse" does not mean:

- a. Structural damage consisting of the mere settling or cracking of a foundation, structure, or building;
- b. **"Sinkhole collapse"**; or
- c. **"Earth movement"**.

- E. The definition of **"earth movement"** in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Earth movement" means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"** and **"catastrophic ground cover collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

- F. The following is added to the definition of **"specified causes of loss"**:

"Catastrophic ground cover collapse".

COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to the CANCELLATION Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least 5 days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started, and
 2. Have not been contracted for,
- within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

General Liability Supplemental Coverage Endorsement Technology



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following changes apply to this Coverage Part. However, endorsements attached to this Coverage Part will supersede any provisions to the contrary in this General Liability Supplemental Coverage Endorsement.

A. Broadened Named Insured

1. The following is added to **Section II – Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- a. Is newly acquired or formed during the policy period;
- b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- c. Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the policy period.

2. The last paragraph of **Section II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph **3.** of **Section II – Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section II – Who Is An Insured does not apply to this provision to the extent that such paragraph would conflict with this provision.

C. Insured Status – Employees

Paragraph 2.a.(1) of Section II – Who Is An Insured is replaced by the following:

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

However:

Paragraphs (1)(a) and (1)(d) do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" mean any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs (1)(a), (b) and (c) do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

D. Additional Insureds – Lessees of Premises

Section II – Who Is An Insured is amended to include as an insured any person or organization who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

This provision does not apply:

- (1) To liability arising out of such person's or organization's sole negligence; or
- (2) After the person or organization ceases to lease or rent premises from you.

E. Additional Insured – Vendors

The following change applies if this Coverage Part provides insurance to you for "bodily injury" and "property damage" included in the "products-completed operations hazard":

Section II – Who Is An Insured is amended to include as an insured any person or organization (referred to below as vendor) who you have agreed in a written contract or written agreement, prior to loss, to name as an additional insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional provisions:

1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in Subparagraphs **d.** or **f.**; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
3. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.

F. Additional Insured – Managers, Lessors or Governmental Entity

Section II – Who Is An Insured is amended to include as an insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omission of those acting on your behalf; and

resulting directly from:

- a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
- b. Ownership, maintenance, occupancy or use of premises by you; or
- c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

This provision does not apply:

- a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
- b. To any person or organization:
 - (1) For "bodily injury", "property damage" or "personal and advertising injury" arising out of its sole negligence;
 - (2) Included as an insured under Paragraph 3. of Section II – Who Is An Insured;
- c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
- d. To any:
 - (1) Owners or other interests from whom land has been leased by you; or
 - (2) Managers or lessors of premises, if:
 - (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or
 - (c) The premises are excluded under this Coverage Part.

G. Damage to Premises Rented or Occupied by You

- 1. The last paragraph under Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions c. through n. do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage to Premises Rented To You Limit of Insurance applies to this coverage as described in Section III – Limits Of Insurance.

- 2. Paragraph 6. of **Section III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

H. Broadened Contractual Liability

Definition 9. in **Section V – Definitions** is replaced by the following:

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

I. Definition – Specific Perils

The following definition is added to **Section V – Definitions**:

"Specific perils" mean:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;

- g. Vandalism;
- h. Weight of snow, ice or sleet;
- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

J. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion **e.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

- (1) Liability for damages that the insured would have in the absence of the contract or agreement; or

- (2) Liability for "personal and advertising injury" if:

- (a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;
- (b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and
- (c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury" described in Paragraph (a) above, provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and
- (ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. Paragraph **2.d.** of **Section I – Supplementary Payments – Coverages A And B** is replaced by the following:

- d.** The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

3. The following is added to the paragraph directly following Paragraph **2.f.** of **Section I – Supplementary Payments – Coverages A And B**:

Notwithstanding the provisions of Paragraph **2.e.(2)** of Section **I – Coverage B – Personal And Advertising Injury Liability**, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

K. Internet and Multimedia Services

Exclusion **j.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider; and

arising out of goods, products or services provided by any insured to others.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

L. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B**:

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

M. Broadened Property Damage

1. Property Damage to Contents of Premises Rented Short-Term

The paragraph directly following Paragraph **(6)** in Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III – Limits Of Insurance**.

2. Elevator Property Damage

- a.** The following is added to Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

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Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

b. The following is added to Section III – Limits Of Insurance:

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

a. The following is added to Exclusion j. of Section I – Coverage A – Bodily Injury And Property Damage Liability:

Paragraph (4) of this exclusion does not apply to "property damage" to equipment you borrow from others at a jobsite.

b. The following is added to Section III – Limits Of Insurance:

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to equipment you borrow from others at a jobsite is \$25,000 per "occurrence".

N. Expected or Intended Injury or Damage

Exclusion a. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

a. Expected Or Intended Injury Or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

O. Definition – Bodily Injury

Definition 3. in Section V – Definitions is replaced by the following:

- 3.** "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

P. Electronic Data

Exclusion p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

This exclusion does not apply to "bodily injury" or physical injury to tangible property including all resulting loss of use of that property.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Q. Insured Status – Amateur Athletic Participants

Section II – Who Is An Insured is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

- a. "Bodily injury" to:
 - (1) Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or
- b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:
 - (1) Your "employee", "volunteer worker" or any person you sponsor; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

R. Non-Owned Aircraft and Watercraft

Exclusion **g.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

S. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

1. Definitions **10.** and **19.** in **Section V – Definitions** are replaced by the following:

- 10.** "Leased worker" means a person leased to you by a "labor leasing firm" under a written agreement between you and the "labor leasing firm", to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- 19.** "Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".

2. The following definition is added to **Section V – Definitions**:

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

- a. Employment agency, contractor or services;
- b. Professional employer organization; or
- c. Temporary help service.

T. Definition – Mobile Equipment

Paragraph **f.** of Definition **12.** in **Section V – Definitions** is replaced by the following:

- f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

U. Definitions – Your Product and Your Work

Definitions **21.** and **22.** in **Section V – Definitions** are replaced by the following:

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1) Work, services or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

V. Priority Condition

The following paragraph is added to **Section III – Limits Of Insurance**:

In the event a claim is made or "suit" is brought against more than one insured seeking damages because of "bodily injury" or "property damage" caused by the same "occurrence" or "personal and advertising injury" caused by the same offense, we will apply the Limits of Insurance in the following order:

- (a) You;
- (b) Your "executive officers", partners, directors, stockholders, members, managers (if you are a limited liability company) or "employees"; and
- (c) Any other insured in any order that we choose.

W. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2., Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:**

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

X. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of **Section IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. This insurance is primary insurance as respects our coverage to the additional insured person or organization where the written contract or written agreement requires that this insurance be primary and non-contributory. In that event, we will not seek contribution from any other insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured. Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i)** That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
- (ii)** That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
- (iii)** That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
- (iv)** If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**; or
- (v)** That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:

Equipment you borrow from others at a jobsite; or

Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured by attachment of an endorsement to another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

Y. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

Z. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part.

The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

AA. Liberalization Condition

The following condition is added to **Section IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise this Coverage Part to broaden coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in the state shown in the mailing address of your policy.


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General Liability Supplemental Coverage Endorsement Technology

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Collection or Distribution of Material or Information in Violation of Law Exclusion

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Collection Or Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Collection Or Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.

Employee Benefits Liability – Claims-Made Coverage Form

This Coverage Form provides *claims-made* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

- A.** We will pay those sums that the "insured" becomes legally obligated to pay as damages because of an act, error, or omission in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any "claim" and settle any "suit" that may result; but:

- (1) The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

- B.** (1) This insurance applies to an act, error or omission only if:
- a.** A "claim" arising out of the act, error or omission is first made against any "insured" during the policy period;
 - b.** The act, error, or omission takes place in the "coverage territory";
 - c.** The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a "claim" or "suit"; and
 - d.** The act, error, or omission did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period.

- (2) A "claim" will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first. "All "claims" for damages to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any "insured".

2. Exclusions

This insurance does not apply to:

- A.** "Bodily injury", "property damage", or "personal and advertising injury";
- B.** Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;
- C.** Any "claim" or "suit" arising out of discrimination or humiliation;
- D.** Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;
- E.** Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, disability benefits law, or similar laws;
- F.** Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;
- G.** Any "claim" or "suit" arising out of:
 - (1) Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";
 - (2) The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

- (3) Any investment activity, including the management, administration or disposition of assets of your "employee benefit programs"; or
- (4) Failure of any investment to perform as represented by any "insured".

H. Any "claim" or "suit" arising out of an "insured's" liability as a fiduciary under:

- a.** The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or
- b.** The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any "claim" we investigate or settle or "suit" we defend:

- A.** All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our insurance.
- B.** Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.
- C.** All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- D.** Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

- A.** The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - (1) "Insureds";
 - (2) "Claims" made or "suits" brought; or
 - (3) "Employees" or dependents or beneficiaries of "employees" making "claims" or bringing "suits".
- B.** The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

C. Subject to the Aggregate Limit provisions in **B.** above, the Each Claim Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".

D. The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

(1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a "claim". To the extent possible, notice should include:

- a.** How, when, and where the act, error, or omission took place;
- b.** The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

Notice of an act, error, or omission is not notice of a "claim".

(2) If a "claim" is received by any "insured", you must:

- a.** Immediately record the specifics of the "claim" and the date received; and
- b.** Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

(3) You and any other involved "insured" must:

- a.** Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "claim" or "suit";
- b.** Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement, or defense of the "claim" or "suit"; and
- d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.

- (4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover under this Coverage Part, our obligations are limited as follows:

(1) Primary Insurance

This insurance is primary except when 2. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 3. below.

(2) Excess Insurance

This insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an act, error, or omission on other than a claims-made basis, if:

- a. No Retroactive Date is shown in the Declarations of this insurance; or
- b. The other insurance has a policy period which continues after the Retroactive Date, if any, shown in the Declarations of this insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- i. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- ii. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

(3) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- (1) As if each Named Insured were the only Named Insured; and
- (2) Separately to each "insured" against whom "claim" is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- (2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

- (1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";
- (2) Handling records in connection with "employee benefit programs"; or
- (3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Claim" means:

The receipt by you of a demand for money or services which alleges an act, error, or omission in the "administration" of your "employee benefit programs."

E. "Coverage territory" means:

- (1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or
- (2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **E. 1.** above, or in a settlement to which we agree.

F. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

G. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

H. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

I. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- (1) False arrest, detention, or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- (4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
- (5) Oral or written publication, in any manner, of material that violates a person's right of privacy;
- (6) The use of another's advertising idea in your "advertisement"; or
- (7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. "Property damage" means:

- (1) Physical injury to tangible property, including all resulting loss of use of that property.
- (2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

K. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: CPO 5912284-00

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC.

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M.; Coverage ends 09-01-2013 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVS

Producer No. 70074-000

Item 1. Business Description:**Item 2. Limits of Insurance**GENERAL AGGREGATE LIMIT \$ 2,000,000PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT \$ 2,000,000EACH OCCURRENCE LIMIT \$ 1,000,000DAMAGE TO PREMISES
RENTED TO YOU LIMIT \$ 1,000,000 Any one premisesMEDICAL EXPENSE LIMIT \$ 10,000 Any one personPERSONAL AND ADVERTISING INJURY LIMIT \$ 1,000,000 Any one person or
organization**Item 3. Retroactive Date (CG 00 02 ONLY)**This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense
which occurs before the Retroactive Date, if any, shown here: NONE

(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: See Schedule of Locations

Item 5. Schedule of Forms and Endorsements

Form(s) and Endorsement(s) made a part of this Policy at time of issue:

See Schedule of Forms and Endorsements**Item 6. Premiums**Coverage Part Premium: \$ 68,641.00

Other Premium:

Total Premium: \$ 68,641.00

Policy Number
CPO 5912284-00

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE
ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC.

Effective Date: 09-01-12
12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVS

Agent No. 70074-000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy:
See Schedule of Locations

Code No. 51941	Premium Basis GROSS SALES/NEAREST THOUSAND	Premises/Operations	
Location 001/001	Exposure \$333,253,000	Rate	Premium
Classification: COMPUTER MFG.		\$.140	\$ 46,655.00
		Products/Completed Operations	
		Rate	Premium
		\$.057	\$ 18,995.00
Code No. G4019	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification: GL SUPPLEMENTAL COVERAGE ENDORSEMENT			\$ 2,481.00
		Products/Completed Operations	
		Rate	Premium
Code No. 92100	Premium Basis	Premises/Operations	
Location	Exposure 1100	Rate	Premium
Classification: EMPLOYEE BENEFITS			\$ 510.00
		Products/Completed Operations	
		Rate	Premium
Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification:			
		Products/Completed Operations	
		Rate	Premium

EMPLOYEE BENEFIT LIABILITY COVERAGE PART - CLAIMS MADE DECLARATIONS

Policy Number: CPO 5912284-00

Named Insured: OMNICELL INC.

Policy Period: Coverage begins 09-01-2012 at 12:01 A.M; Coverage ends 09-01-2013 at 12:01 A.M

Producer Name: MARSH RISK & INSURANCE SERVS

Producer No. 70074-000

Item 1. Limits of Insurance\$ 1,000,000 Aggregate Limit\$ 1,000,000 Each Claim Limit**Item 2. Form of Business:**

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation
☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate	Advance Premium
<u>92100</u>	<u>1,100</u>	\$ _____ Per Employee	\$ <u>INCL</u>
		\$ _____ Flat Charge	\$ _____

Total Advance Premium For This Coverage Part: \$ INCLAudit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly**Forms And Endorsements Applicable To This Coverage Part:****SEE SCHEDULE OF FORMS AND ENDORSEMENTS****Retroactive Date:**

_____ (Enter date or "None" if no Retroactive Date applies)

This insurance does not apply to damages caused by an act, error, or omission which occurred before the Retroactive Date, if any, shown above.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section **III – Limits Of Insurance**; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b.** We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;
 - (2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a.** False arrest, detention or imprisonment;
- b.** Malicious prosecution;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f.** The use of another's advertising idea in your "advertisement"; or
- g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, re-conditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Coverage B - Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.

Premium And Reports Agreement – Composite Rated Policies



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:

Commercial General Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Owners Contractors Protective Coverage Part
Railroad Protective Coverage Part

Schedule

1. Unit of Exposure:

<input type="checkbox"/> Gross sales	<input type="checkbox"/> Area	<input type="checkbox"/> Gallons
<input type="checkbox"/> Each	<input type="checkbox"/> Rooms	<input type="checkbox"/> General Liability Payroll
<input type="checkbox"/> Admissions	<input type="checkbox"/> Units	<input type="checkbox"/> Rounds played
<input type="checkbox"/> Total Cost	<input type="checkbox"/> Total Operating Expenditures	<input type="checkbox"/> Occupied rooms
<input type="checkbox"/> Licensed Autos	<input type="checkbox"/> Workers Compensation Payroll	<input checked="" type="checkbox"/> Other Domestic Sales Only – Foreign Sales Excluded

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
Computer Mfg	\$333,253,000		
Premises/Operations		\$ 0.140	\$46,655.00
Products/Completed Ops		\$0.057	\$18,995.00
		Total Rate \$0.197	Total \$65,650.00
Employee Benefits Liability			\$ 510.00 Flat Charge
Supplemental Coverage			\$2,481.00 Flat Charge
Terrorism		2% of GL Premium	\$1,372.00 Flat Charge

(Add more rows as required)

3. Deposit Premium: \$65,650.00

4. Minimum Premium: \$59,085.00

Condition 5, **Premium Audit**, of Section IV, **Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.
- b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.
- c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.
- d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.
- e. The units of exposure shown in the Schedule are defined as follows:
 1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
 2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
 3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
 4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
 5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
 6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less than 10 holes will be counted as a half round toward the total number of rounds of golf played.
 9. **Each** means the total number of exposure units as described in the exposure basis.
 10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
 11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
 12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
 13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
 14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
 15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement.

COMMERCIAL GENERAL LIABILITY
CG 32 34 01 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.



Deductible Endorsement Claims-Made

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:
Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: \$ 1,000

1. The deductible amount stated above shall be deducted from the amount of all "claims" arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per "claim" basis. The Aggregate Limit will not be reduced by the application of such deductible.
2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
 - a. Our rights and duties with respect to the defense of "suits"; and
 - b. The "insured's" duties in the event of an act, error, or omission or a "claim" or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY
CG 21 73 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:
1% OF TOTAL AUTOMOBILE PREMIUM

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ("TRIA")

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses.

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO

ZURICH AMERICAN INSURANCE COMPANY

1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER:

MARSH RISK & INSURANCE SERVS

NAMED INSURED: OMNICELL INC.

MAILING ADDRESS: 1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

POLICY PERIOD: From 09-01-2012 to 09-01-2013 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER: NEW

FORM OF BUSINESS:

☒

CORPORATION

☐

LIMITED LIABILITY COMPANY

☐

INDIVIDUAL

☐

PARTNERSHIP

☐

OTHER _____

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$ 70,461.40								
AUDIT PERIOD (IF APPLICABLE)	X	ANNUALLY		SEMI-ANNUALLY		QUARTERLY		MONTHLY

ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 – Broad Form Nuclear Exclusion (Not Applicable in New York)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED _____ BY _____
(Date) (Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE
AT THE COMPANY'S OPTION.

ITEM TWO

SCHEDULE OF COVERAGES AND COVERED AUTOS

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM
LIABILITY	1	\$1,000,000	\$ 47,967
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE P.P.I. ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS	2	\$ 5,000	\$ 448
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS	2	SEE ENDT	\$ 1,687
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	2	SEE ENDT	\$ 180
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See ITEM FOUR For Hired or Borrowed Autos.	\$ 5,933
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See ITEM FOUR For Hired Or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	7, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE, FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$ 13,544
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO.	
TAX/SURCHARGE/FEE			\$ 5.40
PREMIUM FOR ENDORSEMENTS			\$ 697
*ESTIMATED TOTAL PREMIUM			\$ 70,461.40

*This policy may be subject to final audit.

ITEM THREE
SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA1	2006, DODGE SPRINTER 2500, WD0PD744465916868		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
CA2	2006, DODGE SPRINTER 2500, WD0PD744865930336		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
AL3	2010, HONDA ELEMENT, 5J6YH130AL005824		\$ 21,475 ACV		HUEYTOWN AL, 101		
LA4	2011, TOYOTA SIENNA LE, 5TDKK3DC3BS153030		\$ 28,900 ACV		MANDEVILLE LA, 120		
IL5	2010, HONDA ELEMENT LX, 5J6YH2H36AL002111		\$ 21,775 ACV		HINCKLEY IL, 134		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA1	50	C	8,550	7	All Others	034990	
CA2	50	C	8,550	7	All Others	034990	
AL3				3		739800	
LA4				2		739800	
IL5				3		739800	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA1	\$ 1,000,000	\$ 2,384					
CA2	\$ 1,000,000	\$ 2,384					
AL3	\$ 1,000,000	\$ 1,907					
LA4	\$ 1,000,000	\$ 4,254					
IL5	\$ 1,000,000	\$ 1,116					
Total Premium							

ITEM THREE
SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA6	2012, TOYOTA SIENNA LE, 5TDKK3DC3CS182044		\$ 29,700 ACV		LIVERMORE CA, 075		
KS7	2011, FORD ESCAPE XLS, 1FMCU0C78BKC59686		\$ 21,060 ACV		DERBY KS, 105		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA6				1		739800	
KS7				2		739800	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA6	\$ 1,000,000	\$ 1,662					
KS7	\$ 1,000,000	\$ 970					
Total Premium		\$ 14,677					

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person			Premium		
CA1	\$5,000	\$ 83						
CA2	\$5,000	\$ 83						
AL3	\$5,000	\$ 54						
LA4	\$5,000	\$ 114						
IL5	\$5,000	\$ 34						
Total Premium								
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA1	\$ 1,000	\$ 59			\$ 1,000	\$ 202		
CA2	\$ 1,000	\$ 59			\$ 1,000	\$ 202		
AL3	\$ 1,000	\$ 113			\$ 1,000	\$ 467		
LA4	\$ 1,000	\$ 152			\$ 1,000	\$ 435		
IL5	\$ 1,000	\$ 135			\$ 1,000	\$ 334		
Total Premium								

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person			Premium		
CA6	\$5,000	\$ 49						
KS7	\$5,000	\$ 31						
Total Premium		\$ 448						
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA6	\$ 1,000	\$ 60			\$ 1,000	\$ 430		
KS7	\$ 1,000	\$ 155			\$ 1,000	\$ 307		
Total Premium		\$ 733				\$ 2,377		

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	\$ 1,300,000	\$ 32,032
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		\$ 32,032

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$1,300,000	\$ 5,200
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$1,300,000	\$ 11,167
TOTAL PREMIUM				\$ 16,367
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					
<p>Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment -- Physical Damage Coverages						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.				
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.				
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL PREMIUM						
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	400	\$ 1,258
	Number Of Partners (Active and Inactive)		
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
Total Premium			\$ 1,258

ITEM SIX

SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concerns
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

- A. Amounts paid to air, sea or land carriers operating under their own permits.
- B. Advertising revenue.
- C. Taxes collected as a separate item and paid directly to the government.
- D. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

COMMERCIAL AUTO
CA 00 01 03 10**BUSINESS AUTO COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
 - b. "Loss" caused by hitting a bird or animal; and

- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d. Any accessories used with the electronic equipment described in Paragraph **c.** above.

5. Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

c. An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or

d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- b. Removable from a permanently installed housing unit as described in Paragraph **2.a.** above or is an integral part of that equipment; or
- c. An integral part of such equipment.

3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this coverage form.

3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

5. Other Insurance

- a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:
 - (1) Excess while it is connected to a motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if:
 - (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract" means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;
 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
 5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or

6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
- b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

- 1. Damages because of "bodily injury" or "property damage"; or
 - 2. A "covered pollution cost or expense";
- to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

COMMERCIAL AUTO
CA 01 22 05 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS CHANGES**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Liability Coverage

1. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Care, Custody Or Control** Exclusion is replaced by the following:

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- d. The following is added to the **War** Exclusion:

This Exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- e. The **Racing** Exclusion, if contained in the coverage form, does not apply.

- f. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

2. Our Limit Of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident".
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident", and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

B. Changes In Physical Damage

1. The **"Diminution In Value"** Exclusion does not apply.
2. The Limit of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

C. Changes In Conditions

1. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

We will not pay in any case of fraud by you at any time as it relates to this Coverage Form. We will also not pay if you or any other "insured", knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented, any written statement relating to an insurance application, rating, claim or coverage under this Coverage Form which such person:

- a. Knows to contain materially false information; or
- b. Conceals, for the purposes of misleading, information

concerning any material fact.

2. The **Appraisal For Physical Damage Loss** Condition in the Business Auto, Garage, Truckers and Motor Carrier Coverage Forms and the **Appraisal** Condition in the Business Auto Physical Damage Coverage Form is replaced by the following:

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However an appraisal will be made only if both you and we agree, voluntarily to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

An appraisal decision will be binding.

COMMERCIAL AUTO
CA 01 43 05 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The term "spouse" is replaced by the following:
Spouse or registered domestic partner under California law.
- B.** The following are added to the **Other Insurance** Condition in the Business Auto and Garage Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier and Truckers Coverage Forms and supersede any provisions to the contrary:
 - 1.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a.** One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b.** The other provides coverage to a person not engaged in that business, and
 - c.** At the time of an "accident", a person described in Paragraph **1.b.** is operating an "auto" owned by the business described in Paragraph **1.a.**, then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph **1.a.** is excess over any coverage available to that person.
 - 2.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a.** One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b.** The other provides coverage to a person not engaged in that business, and
 - c.** At the time of an "accident" an "insured" under the Coverage Form described in Paragraph **2.a.** is operating an "auto" owned by a person described in Paragraph **2.b.**, then the Coverage Form issued to the business described in Paragraph **2.a.** is primary and the liability coverage issued to a person described in Paragraph **2.b.** is excess over any coverage available to the business.
 - 3.** When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:
 - a.** One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators, and
 - b.** The other provides coverage to a person other than as described in Paragraph **3.a.**, and
 - c.** At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph **3.a.**, and who is not the agent or "employee" of such Named Insured is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph **3.a.**, then the liability coverage provided by the Coverage Form or policy described in Paragraph **3.b.** is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph **3.a.** is excess over any coverage available to that person.

4. Notwithstanding Paragraph **B.3.**, when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:

- a. One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and
- b. The other provides coverage to a Named Insured not engaged in that business; and
- c. At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.**, then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".

C. As used in this endorsement:

"Commercial vehicle" means an "auto" subject to registration or identification under California law which is:

1. Used or maintained for the transportation of persons for hire, compensation or profit;
2. Designed, used or maintained primarily for the transportation of property; or
3. Leased for a period of six months or more.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 30 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. Any claim settled without our consent.
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 5. Punitive or exemplary damages.
- 6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Insurance shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$20,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Insurance Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. **Legal Action Against Us** is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.

- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. **Transfer Of Rights Of Recovery Against Others To Us** does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:
 - (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.

- (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$50,000 for "bodily injury" to any one person/\$100,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged; or
 - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 37 01 05**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By: (Authorized Representative)
Named Insured:	

SCHEDULE

LIMIT OF INSURANCE	
\$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if
 - a. The limit of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled or judgment reached without our consent if the settlement or judgment prejudices our right to recover payment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

4. "Bodily injury" sustained by an "insured" while "occupying" or when struck by any motor vehicle that is owned by or provided for the regular use of that "insured" for which the security required by Kansas law is not in effect.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident", is the limit of Uninsured Motorists Insurance shown in the Schedule or Declarations. We will apply the limit shown in the Schedule or Declarations to first provide the separate limits required by Kansas law as follows:

a. \$25,000 for "bodily injury" to any one person caused by any one "accident", and

b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. The limit for damages resulting from "bodily injury" caused by a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" applies separately from the limit for a vehicle described in Paragraphs **a.**, **c.** and **d.** of that definition.

3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage and any Liability Coverage Form, Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if the person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law or personal injury protection coverage.

4. Any amount paid under this insurance will reduce any amount an "insured" may be paid under the Coverage Form's Liability Coverage.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance** Provisions in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:

a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.

b. If there is other applicable insurance available under one or more policies or provisions of coverage, the maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved, and

- b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also:

- (1) Notify us in writing, by certified mail, of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
- (2) Allow us 60 days after receipt of the written notice to advance payment to that "insured", in an amount equal to the tentative settlement, to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

Such written notice shall include written documentation of all damages incurred, copies of all medical bills and written authorization or a court order to obtain reports from all employers and medical providers.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. We do not have a right of recovery with respect to damages resulting from an "accident" with a vehicle described in Paragraphs **a., c. and d.** of the definition of "uninsured motor vehicle" to which a liability bond or policy applies at the time of the "accident", but the bonding or insuring company is or becomes insolvent.
- c. Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:
 - (1) Have been given written notice by certified mail of a tentative agreement between the "insured" and the insuring company of the owner or operator of the underinsured motor vehicle to settle for liability limits; and

- (2) Fail to advance payments to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification:

- (1) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
- (2) We also have a right to recover the advance payment.

4. The Two Or More Coverage Forms Or Policies Issued By Us General Condition does not apply.

5. The Concealment, Misrepresentation Or Fraud General Condition does not apply.

6. The following condition is added:

ARBITRATION

- a. If, after a claim has been made, a dispute arises because we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the parties may agree to arbitration. **One party cannot force the other party into arbitration.** However, disputes concerning coverage under this endorsement may not be arbitrated. If the parties agree to arbitration, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. Any decision agreed to by the arbitrators will not be binding.
- c. Once arbitration is agreed to by both parties, either party has the right to bring arbitration under K.S.A. Sections 5-201 – 5-213 inclusive, in lieu of the arbitration procedure provided in this condition.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by Kansas law, or
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by Kansas law, but their limits are less than the limit of this insurance, or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent, or
 - d. For which neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying", provided the facts of the "accident" can be corroborated by competent evidence other than the testimony of any person having a claim under this or any other similar insurance as the result of such "accident".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned by a governmental unit or agency.
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 38 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:** \$ 1,000,000**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
 - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or
 - b. We and an "insured" have reached a "settlement agreement".

3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. Punitive or exemplary damages.
5. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Underinsured Motorists Coverage shown in this endorsement.
2. Except in the event of a "settlement agreement", the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Liability Coverage.
 - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
 - c. Under any automobile medical payments coverage.
3. In the event of a "settlement agreement", the maximum Limit of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form.

E. Changes In Conditions

The Conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".
- b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".
- c. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.

- b. Any legal action against us under this Coverage Form must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply if, within two years after the date of the "accident":
 - (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
 - (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
 - (a) Filed in a court of competent jurisdiction; and
 - (b) Not barred by the applicable state statute of limitations.

In the event that the two-year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

4. The following is added to Transfer Of Rights Of Recovery Against Others To Us:

Transfer Of Rights Of Recovery Against Others To Us does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and
- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement", we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle", damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
 - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
 - b. Owned by a governmental unit or agency.
 - c. Designed for use mainly off public roads while not on public roads.
 - d. Which is an "uninsured motor vehicle".

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 48 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOUISIANA UNINSURED MOTORISTS
COVERAGE – BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Louisiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided under this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy or as of the date indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:** \$ 1,000,000**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered "auto" is principally garaged, we will pay only after all liability bonds or policies have been exhausted by payments of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

d. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

C. Exclusions

This insurance does not apply to:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by an "insured" while "occupying" or struck by any vehicle owned by that "insured" that is not a covered "auto".
3. Punitive or exemplary damages.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of insurance bears to the total of all applicable limits. However, with respect to "bodily injury" sustained by an "insured":

- a. While "occupying" a vehicle owned by that person or while not "occupying" any vehicle, the maximum recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy.
- b. While "occupying" a vehicle not owned by that person, the following priorities of recovery will apply:
 - (1) The uninsured motorists coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident" will be primary.
 - (2) If the primary insurance is exhausted, any excess recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy. In no instance will more than one uninsured motorists coverage limit be available as excess insurance.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and

- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Transfer Of Rights Of Recovery Against Others To Us does not apply to vehicles described in Paragraph **b.** of the definition of "uninsured motor vehicle".

- 4. The following condition is added:

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, arbitration will take place only if we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the parish in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. Any decision of the arbitrators will not be binding on either party.

F. Additional Definitions

As used in this endorsement:

- 1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

- 2. "Occupying" means in, upon, getting in, on, out or off.

- 3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bonds or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. Which is an underinsured motor vehicle. An underinsured motor vehicle means a land motor vehicle or "trailer" to which a liability bond or policy affording coverage for "bodily injury" applies at the time of the accident but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages;
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - d. Which is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle the "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without any actual physical contact with the "insured", a covered "auto" or a vehicle the "insured" is "occupying". However, in such cases, the "insured" must show, by an independent and disinterested witness, that the "bodily injury" resulted from the actions of an unidentified motorist.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency; or
- b. Designed for use mainly off public roads while not on public roads.

COMMERCIAL AUTO
CA 21 53 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS
COVERAGE – PROPERTY DAMAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "property damage" caused by an "accident" arising out of actual physical contact with your covered "auto". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of an "uninsured motor vehicle".
2. Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

B. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
3. The first \$250 of the amount of "property damage" to a covered "auto" as a result of any one "accident".
4. Any motor vehicle owned by you for which you have purchased collision coverage under this policy or any other policy.
5. If the owner or operator of the "uninsured motor vehicle" cannot be identified.

6. "Property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Limit Of Insurance

1. Regardless of the number of covered "autos", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" will be the lesser of \$15,000 or the actual cash value of your damaged "auto" at the time of the "accident".
2. Any amount payable under this coverage shall be reduced by all sums paid by or for anyone who is legally responsible.

D. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage – Property Damage (Illinois) as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible "property damage" uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly send us copies of the legal papers if a suit is brought.
- b. Provide us with the name and address of the owner of the "uninsured motor vehicle" or a registration number and description of such vehicle, or any other available information to establish that there is no applicable motor vehicle property damage liability coverage.

3. **Legal Action Against Us** is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. **Transfer Of Rights Of Recovery Against Others To Us** does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages under this endorsement or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. The insured may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

E. Additional Definitions

As used in this endorsement:

1. "Property damage" means injury to or destruction of a covered "auto". However, "property damage" does not include loss of use or damage to personal property contained in your covered "auto". This definition replaces the definition in the policy.

2. "Uninsured motor vehicle" means a land motor vehicle or trailer:
- a. For which no liability bond or policy providing coverage for "property damage" applies at the time of the "accident"; or
 - b. For which no liability bond or policy at the time of an "accident" provides at least the amount required for "property damage" liability covered by the Illinois Financial Responsibility Law; or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency;
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 54 09 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA UNINSURED MOTORISTS COVERAGE –
BODILY INJURY**

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:** \$ 1,000,000**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy.

However, Exclusion 4. shall not apply to "bodily injury" sustained by an individual Named Insured or "family member" when struck by a vehicle owned by that "insured" and operated or caused to be operated by a person without that "insured's" consent in connection with criminal activity that has been documented in a police report and to which that "insured" is not a party to.

5. "Bodily injury" sustained by an individual Named Insured or any "family member" while "occupying" any vehicle leased by that Named Insured or any "family member" under a written contract for a period of six months or more that is not a covered "auto".

6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

7. "Bodily injury" sustained by an "insured" while "occupying" any "auto" that is rented or leased to that "insured" for use as a public or livery conveyance. However, this exclusion does not apply if the "insured" is in the business of providing public or livery conveyance.

8. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.
2. For a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", our Limit of Insurance shall be reduced by all sums paid because of "bodily injury" by or for anyone who is legally responsible, including all sums paid or payable under this policy's Liability Coverage.
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for California Uninsured Motorists Coverage – Bodily Injury as follows:

1. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Send us copies of the legal papers if a "suit" is brought. In addition, a person seeking coverage under Paragraph **b.** of the definition of "uninsured motor vehicle" must:
 - (1) Provide us with a copy of the complaint by personal service or certified mail if the "insured" brings an action against the owner or operator of such "uninsured motor vehicle";
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by us or furnish us copies at our expense; and
 - (3) Provide us with proof that the limits of insurance under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Legal Action Against Us is replaced by the following:

No legal action may be brought against us under this coverage form until there has been full compliance with all the terms of this coverage form and with respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle" unless within two years from the date of the "accident":

- a. Agreement as to the amount due under this insurance has been concluded;
- b. The "insured" has formally instituted arbitration proceedings against us. In the event that the "insured" decides to arbitrate, the "insured" must formally begin arbitration proceedings by notifying us in writing, sent by certified mail, return receipt requested; or
- c. "Suit" for "bodily injury" has been filed against the uninsured motorist in a court of competent jurisdiction.

Written notice of the "suit" must be given to us within a reasonable time after the "insured" knew, or should have known, that the other motorist is uninsured. In no event will such notice be required before two years from the date of the accident. Failure of the "insured" or his or her representative to give us such notice of the "suit" will relieve us of our obligations under this coverage form only if the failure to give notice prejudices our rights.

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

- a. With respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle", if we make any payment, we are entitled to recover what we paid from other parties. Any person to or for whom we make payment must transfer to us his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
- b. With respect to Paragraph **b.** of the definition of "uninsured motor vehicle", if we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this coverage form is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

5. The following Condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", the disagreement will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. However, disputes concerning coverage under this endorsement may not be arbitrated. Each party will bear the expenses of the arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. The decision of the arbitrator will be binding.

F. Additional Definitions

The following are added to the **Definitions** section:

1. "Family member" means the individual Named Insured's spouse, whether or not a resident of the individual Named Insured's household, and any other person related to such Named Insured by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or trailer:
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the Limit of Insurance for this coverage;
 - c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
 - d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - e. That is owned by an individual Named Insured or "family member" and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by the United States of America, Canada, a state or political subdivision of any of those governments or an agency of any of the foregoing; or
- c. Designed or modified for use primarily off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-00

COMMERCIAL AUTO
CA 21 59 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ALABAMA UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Alabama, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:
Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. No judgment for damages arising out of a "suit" brought against the owner or operator of an "uninsured motor vehicle" is binding on us unless we:
 - a. Received reasonable notice of the pendency of the "suit" resulting in the judgment; and
 - b. Had a reasonable opportunity to protect our interest in the "suit".

However, if reasonable notice has not been given to us, we have the option to accept the judgment in the suit as binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

1. Any claim settled without our consent.
However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the accident, the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Insurance shown in the declarations. If there is more than one covered "auto", our limit of insurance for any one "accident" is the sum of the limits applicable to each covered "auto", subject to a maximum of three covered "autos".
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

3. We will reduce the "insured's" total damages by any amount available to that "insured", under any bodily injury liability bonds or policies applicable to the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", that such "insured" did not recover as a result of a settlement between that "insured" and the insurer of such vehicle. However, any reduction of the "insured's" total damages will not reduce the limit of liability for this coverage.

This Paragraph (**D.3.**) shall not apply if we advance payment to the "insured" in an amount equal to the tentative settlement with the insurer of the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:
 - a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.
 - b. Any insurance we provide with respect to a vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form, shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved, and
 - b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and allow us 30 days to advance payment to that insured in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. **Transfer Of Rights Of Recovery Against Others To Us** is changed by adding the following:

Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:

 - a. Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
 - b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

 - a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
 - b. We have a right to recover the advanced payment.

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
4. **The Two Or More Coverage Forms Or Policies Issued By Us** General Condition does not apply to an individual Named Insured or any "family member".

**5. THE FOLLOWING CONDITION IS ADDED:
ARBITRATION**

A. IF WE AND AN 'INSURED' DISAGREE WHETHER THE 'INSURED' IS LEGALLY ENTITLED TO RECOVER DAMAGES FROM THE OWNER OR DRIVER OF AN 'UNINSURED MOTOR VEHICLE' OR DO NOT AGREE AS TO THE AMOUNT OF DAMAGES THAT ARE RECOVERABLE BY THAT 'INSURED', THEN THE MATTER MAY BE ARBITRATED. HOWEVER, DISPUTES CONCERNING COVERAGE UNDER THIS ENDORSEMENT MAY NOT BE ARBITRATED. BOTH PARTIES MUST AGREE TO ARBITRATION. IF SO AGREED, EACH PARTY WILL SELECT AN ARBITRATOR. THE TWO ARBITRATORS WILL SELECT A THIRD. IF THEY CANNOT AGREE WITHIN 30 DAYS, EITHER MAY REQUEST THAT SELECTION BE MADE BY A JUDGE OF A COURT HAVING JURISDICTION. THE ARBITRATION PROCEEDINGS SHALL COMMENCE WITHIN ONE YEAR AFTER THE DATE BOTH PARTIES AGREE TO SETTLE A DISPUTE BY ARBITRATION. ARBITRATION EXPENSES WILL BE DETERMINED BY THE ARBITRATOR ACCORDING TO ALABAMA LAW.

UNLESS BOTH PARTIES AGREE OTHERWISE, ARBITRATION WILL TAKE PLACE IN THE COUNTY IN WHICH THE 'INSURED' LIVES. LOCAL RULES OF LAW AS TO ARBITRATION PROCEDURE AND EVIDENCE WILL APPLY. A DECISION AGREED TO BY TWO OF THE ARBITRATORS WILL BE BINDING.

B. THIS ARBITRATION PROVISION WILL NOT APPLY IF LEGAL ACTION HAS BEEN COMMENCED BY THE 'INSURED' AGAINST THE OWNER OR OPERATOR OF AN 'UNINSURED MOTOR VEHICLE'.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

- a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides a limit that is less than the amount an "insured" is legally entitled to recover as damages caused by the "accident";
- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Designed for use mainly off public roads while not on public roads.

COMMERCIAL AUTO
CA 04 24 04 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

COMMERCIAL AUTO
CA 04 48 12 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS COMMERCIAL AUTO COVERAGE CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes in Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. For coverage and limits required by the Kansas Financial Responsibility law, the **Fellow Employee** Exclusion is replaced by the following:

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

3. If the following endorsements are attached, they do not apply and are replaced in their entirety by the provisions of paragraph **D.** of this endorsement.

- a. Lessor — Additional Insured And Loss Payee endorsement **CA 20 01**; or
- b. Hired Autos Specified As Covered Autos You Own endorsement **CA 99 16**.

B. Changes in Definitions

The following is added to **SECTION V - DEFINITIONS**:

All reference to the term "total loss" shall mean a motor vehicle required to be registered in this state that has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

- C. If Repossessed Autos endorsement CA 20 19 is attached, Paragraph **D.3. Nonreporting Premium Basis** does not apply.

D. Kansas Additional Named Insured Provisions

SCHEDULE	
Name of Owner	Described Owned Motor Vehicle
1.	1.
2.	2.
3.	3.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A.** Any vehicle described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire, borrow or lease under the coverage for which it is a covered "auto".
- B.** LIABILITY COVERAGE and Personal Injury Protection as prescribed in the Kansas Automobile Injury Reparations Act will apply to each owner named in the Schedule as an additional named insured but only while the motor vehicle described in the Schedule is being used by you or on your behalf.
- C.** The insurance will apply to the owner only while the described vehicle is leased to you.



Coverage Extension Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

1. The following is added to the **Who Is An Insured** Provision in **Section II – Liability Coverage**:

The following are also "insureds":

- a. Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you.
- b. Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.
- c. Anyone else who furnishes an "auto" referenced in Paragraphs **a.** and **b.** above.
- d. Any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" provided the "accident" arises out of operations contemplated by such contract or agreement.

2. The following is added to the **Other Insurance** Provision in the **Conditions** Section:

Coverage for any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" will apply on a primary basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the coverage form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Liability Coverage** are replaced by the following:

- (2) Up to \$5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section II – Liability Coverage** does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the **Racing** Exclusion in **Section II – Liability Coverage**:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

- a. Any amount paid under the **Physical Damage Coverage** Section of the coverage form; and
- b. Any:
 - (1) Overdue lease or loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

The following is added to Paragraph **A.2.** of the **Physical Damage Coverage** Section:

We will pay up to \$75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible will be \$100 or the deductible shown in the Declarations, whichever is less. If glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Loss Of Use Expenses** Provision of the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

- a. We will pay up to \$750 for "loss" to personal effects which are:
 - (1) Personal property owned by an "insured"; and

- (2) In or on a covered "auto".
- b. Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
 - (1) The reasonable cost to replace; or
 - (2) The actual cash value.
- c. The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
 - (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
 - (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
 - (3) Paintings, statuary and other works of art.
 - (4) Contraband or property in the course of illegal transportation or trade.
 - (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

- 1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply.
- 2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

- (a) Are the property of an "insured"; and
- (b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is \$500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or coverage form and by another policy or coverage form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

- 1. If the deductible on this policy or coverage form is the smaller (or smallest) deductible, it will be waived; or
- 2. If the deductible on this policy or coverage form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is \$5,000.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

Temporary Substitute Autos – Physical Damage

If Physical Damage Coverage is provided by this coverage form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

1. Breakdown;
 2. Repair;
 3. Servicing;
 4. "Loss"; or
 5. Destruction.
2. The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Temporary Substitute Autos – Physical Damage

We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- a.** In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

- (1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this coverage form if you unintentionally:

- (1) Fail to disclose any hazards existing at the inception date of this coverage form; or
- (2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph (5)(a) of the **Policy Period, Coverage Territory** Condition is replaced by the following:

- (a) A covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less; and

T. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

All other terms and conditions of this policy remain unchanged.



Who Is An Insured Amendment – Broad Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Garage Coverage Form
Motor Carrier Coverage Form
Truckers Coverage Form

1. The following is added to the **Who Is An Insured** provision of **Section II, Liability Coverage**:

A. Broadened Named Insured

1. Any organization of yours that has been acquired or formed prior to this policy period (other than a partnership, limited liability company or joint venture) but is not shown in the Declarations as of the effective date of this Coverage Form, will nevertheless qualify as a Named Insured if:
 - a. You maintain an ownership interest of more than 50% of such organization; and
 - b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above, no such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - a. Was newly acquired or formed by you in the preceding policy period in which we provided coverage, but was not reported to us before the end of that preceding policy period;
 - b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - c. Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance.

B. Newly Acquired or Formed Organizations as Named Insureds

1. **Newly Acquired Or Formed Organizations Other Than Partnerships, Joint Ventures or Limited Liability Companies**

Any organization you newly acquire or form during this policy period (other than a partnership, limited liability company or joint venture) will qualify as a Named Insured if:

- a. You have an ownership interest of more than 50% in such organization; and
- b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each newly acquired or formed organization shall remain qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above:

- a. No such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - (1) Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - (2) Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance; and
- b. Coverage will be afforded to any such organization qualifying as a Named Insured only until the end of this policy period if the organization is not reported to us during this policy period.

3. Newly Formed Partnerships, Limited Liability Companies, or Joint Ventures

Any partnership, limited liability company or joint venture you newly form during this policy period, where:

- a. You maintain an ownership interest;
- b. As respects any joint venture, you have agreed in the Joint Venture Agreement to name the joint venture as a Named insured to your policy; and
- c. Such partnership, limited liability company or joint venture has been organized under the laws of the United States of America (including any state thereof), its territories or possessions,

will qualify as a Named Insured, provided no other similar insurance was purchased for the partnership, limited liability company or joint venture. However, coverage under this provision is afforded only until the 90th day after you form the partnership, limited liability company or joint venture, or the end of the policy period, whichever is earlier, if the organization is not reported to us during this policy period.

- 4.** With regard to Paragraphs 1. and 3. above, the following additional provision applies:

No coverage shall apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you acquired or formed the organization.

All other terms and conditions of this policy remain unchanged.

COMMERCIAL AUTO
CA 99 03 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ('OFAC') regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site - <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

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EXHIBIT B

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

**ZURICH****COMMON POLICY DECLARATIONS**

Policy Number CPO 5912284-01
 Named Insured and Mailing Address
 OMNICELL INC
 1201 CHARLESTON RD
 MOUNTAIN VIEW CA 94043-1337

Renewal of Number CPO 5912284-00
 Producer and Mailing Address
 MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE CA 95112-4508

Producer Code 70074-000

Policy Period: Coverage begins 09-01-2013 at 12:01 A.M.; Coverage ends 09-01-2014 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION	PREMIUM	\$	131,933.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
GENERAL LIABILITY COVERAGE	PREMIUM	\$	75,235.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
BUSINESS AUTOMOBILE	PREMIUM	\$	74,420.00
issued by ZURICH AMERICAN INSURANCE COMPANY			
CA-AUTO SPECIAL PURPOSE SURCHARGE		\$	5.40
FL-HURRICANE CAT FUND ASSESSMENT		\$	708.77
STATE FIRE MARSHALL REG ASSESS SURCHG		\$	46.78
FL-DEPT OF REVENUE SURCHARGE		\$	4.00
2012 FIGA REGULAR ASSESSMENT		\$	360.70
2005 FL CITIZENS EMERGENCY SURCHARGE		\$	467.71

THIS PREMIUM MAY BE SUBJECT TO AUDIT.

This premium does not include Taxes and Surcharges.

TOTAL \$ 281,588.00

SEE INSTALLMENT SCHEDULE

Taxes and Surcharges

TOTAL \$ 1,593.36

SEE INSTALLMENT SCHEDULE

Form(s) and Endorsement(s) made a part of this policy at time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS**.

Countersigned this _____ day of _____

Authorized Representative

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

General Liability	Not Applicable - Terrorism Exclusion
Property Portfolio Protection	Not Applicable - Terrorism Exclusion

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ('OFAC') regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site - <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

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Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com



Important Notice to Florida Policyholders

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1400 American Lane
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



Florida Hurricane Catastrophe Fund (FHCF) Emergency Assessment - 2005 Hurricanes

The Florida legislature created the FHCF in order to provide capacity to the personal and commercial residential property insurance market. In accordance with Florida law, deficits of the FHCF are funded through emergency assessments on direct premiums for certain property and casualty lines of business in the state of Florida.

The current FHCF emergency assessment is for the purpose of financing the FHCF's shortfall from the 2005 hurricane season. In order to fund this deficit, policies effective on or after January 1, 2011 are subject to an emergency assessment of 1.30% of premium for the following lines of business:

Fire, Allied Lines, Multi-Peril Crop, Farmowners Multi-Peril, Homeowners Multi-Peril, Commercial Multi-Peril (liability and non-liability), Mortgage Guaranty, Ocean Marine, Inland Marine, Financial Guaranty, Earthquake, Other Liability, Products Liability, Private Passenger Auto No-Fault, Other Private Passenger Auto Liability, Commercial Auto No-Fault, Other Commercial Auto Liability, Private Passenger Auto Physical Damage, Commercial Auto Physical Damage, Aircraft, Fidelity, Surety, Burglary and Theft, Boiler and Machinery, Credit, Warranty, and Aggregate Write Ins for Other Lines of Insurance.

The FHCF emergency assessment applicable to this policy is not subject to premium taxes, fees, or commissions.



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

FLORIDA - DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

Please see form U-GU-630-C.

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31): (1) the Federal Government shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion; and (2) no insurer that has met its deductible under the program shall be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. If insured losses exceed \$100 billion, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.



Florida Insurance Guaranty Association 2012 Regular Assessment

The Florida Insurance Guaranty Association, Inc. ("FIGA") pays the claims of insolvent property and casualty insurance companies. FIGA has statutory authority to fund its deficits through assessments based on the premium of subject lines of property and casualty insurance.

To secure funds for the payment of covered claims and to pay the reasonable costs to administer the same, FIGA has imposed a 2012 Regular Assessment on premium for the following lines: Fire, allied lines, farmowners multiple peril, homeowners multiple peril, commercial multiple peril (non-liability portion), commercial multiple peril (liability portion), inland marine, medical malpractice, earthquake, other liability, other liability – occurrence, other liability - claims made, products liability, products liability – occurrence, products liability – claims made, aircraft (all perils), burglary and theft, and boiler and machinery.

For new and renewal policies effective on or after May 1, 2013, a 0.75 % regular assessment applies to premium for the subject lines.

2012 FIGA Regular Assessment

The assessment is not subject to premium taxes, fees, or commissions.



ZURICH[®]

Illinois Civil Union Act Policyholder Notice

On June 1, 2011, Public Act 96-1513, the Religious Freedom Protection and Civil Union Act ("the Act") became effective. Under the Act, both same-sex and opposite-sex couples may enter into a civil union. A party to a civil union is entitled to the same legal obligations, responsibilities, protections, and benefits as are afforded or recognized by the law of Illinois a spouse; whether they derive from statute, administrative rule, common law, or any other source of civil or criminal law. A marriage between persons of the same sex, a civil union, or a substantially similar legal relationship other than common law marriage, legally entered into in another jurisdiction, shall be legally recognized in Illinois as a civil union.

CAUTION: FEDERAL LAW RIGHTS MAY OR MAY NOT BE AVAILABLE:

Illinois law grants parties to a civil union the same benefits, protections and responsibilities that flow from marriage under state law. However, some or all of the benefits, protections and responsibilities related to health insurance that are available to married persons under federal law may not be available to parties to a civil union. For example, the Employee Retirement Income Security Act of 1974, a federal law known as "ERISA" controls the employer/employee relationship with regard to determining eligibility for enrollment in private employer health benefit plans. Because of ERISA, Act 91 does not state requirements pertaining to a private employer's enrollment of a party to a civil union in an ERISA employee welfare benefit plan. However, governmental employers (not federal government) are required to provide health benefits to the dependents of a party to a civil union if the public employer provides health benefits to the dependents of married persons. Federal law also controls group health insurance continuation rights under "COBRA" for employers with 20 or more employees as well as the Internal Revenue Code treatment of health insurance premiums. As a result, parties to a civil union and their families may or may not have access to certain benefits under this policy, contract, certificate, rider or endorsement that derive from federal law. You are advised to seek expert advice to determine your rights.

Policy Number
CPO 5912284-01

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-13
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	590 E MIDDLEFIELD MOUNTAIN VIEW, CA 94043	
003	001	3661 BURWOOD DR WAUKEGAN, IL 60085	
004	001	443 DONELSON PIKE STE 200 STE 200 NASHVILLE, TN 37214	
005	001	1710 LITTLE ORCHARD PKWY SAN JOSE, CA 95125	
006	001	2003 GANDY BLVD SAINT PETERSBURG, FL 33702	
007	001	21540 DRAKE RD STRONGSVILLE, OH 44149	
008	001	5501-A AIRPORT BLVD TAMPA, FL 33634	
010	001	725 SYCAMORE MILPITAS, CA 95035	

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
 - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 01 12 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal Condition**:

Mediation Or Appraisal

If we and you:

- A.** Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

- B.** Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or
2. Failed to notify you of your right to participate in the mediation program.

IL 02 70 09 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
- (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
- (6) A determination by the Commissioner of Insurance that the:
- (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
- (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B. The following provision is added to the **Cancellation** Common Policy Condition:
- 7. Residential Property**
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part
Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
 - b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
 - c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below.

- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims;

or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.

- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:

- (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

- (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

3. We are not required to send notice of nonrenewal in the following situations:

- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1**.
- c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1**., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

(1) Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

(2) Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3)** Activities or omissions by you which change or increase any hazard insured against;
- (4)** Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;
- (5)** Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

- (6) The insured's violation or breach of any policy terms or conditions; or
- (7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through (7) above.

B. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

- a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**
- b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
- c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.

- b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.
- c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.
- d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.
- e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.
- f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.
- b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.
- c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. The **Premiums** Common Policy Condition is replaced by the following:

Premiums

1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.

F. Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any other reason.

G. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.
2. We need not mail or deliver this notice if:
 - a. We or another company within our insurance group have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

Policy Number
CPO 5912284-01

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-13
12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-D-365-A	03-94	POLICY COMMON DECLARATIONS
U-GU-630-C	12-07	DISCLOSURE OF IMPORTANT INFO REL TO TRIA
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-773-A	04-08	FL-DISCLOSURE IMPORTANT INFO REL TO TRIA
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 03	09-08	CALCULATION OF PREMIUM
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 01 12	06-10	FL CHGS-MEDIATION/APPRL (CMML RES PROP)
IL 02 70	09-12	CA CHANGES - CANCELLATION & NONRENEWAL
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONREN
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-406-A	07-94	INSTALLMENT PREMIUM SCHEDULE

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0101	03-11	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	03-11	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	03-11	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	03-11	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	04-09	ADDITIONAL COVERAGES FORM
PPP-0112	03-11	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	03-11	FINE ARTS COVERAGE FORM
PPP-0115	06-06	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	03-11	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-11	TRANSIT COVERAGE FORM
PPP-0131	03-11	BUS INC CVG FORM INCL RESEARCH & DEVEL.
PPP-0132	04-09	EXTRA EXPENSE COVERAGE FORM
PPP-0226	06-06	WIND & HAIL -- DD & TE DEDUCTIBLE
PPP-0301	04-09	DEP PREM BI CVG -- SCHED LIMITS & LOCS
PPP-0302	06-06	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-0310	06-06	FLOOD COVERAGE
PPP-0321	04-09	OFF-PREM SERVICE INTERRUPTION--TE
PPP-1041	03-11	CALIFORNIA CHANGES
PPP-1091	04-13	FLORIDA CHANGES
CP 02 99	11-85	CANCELLATION CHANGES
UGU-681-B	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM

GENERAL LIABILITY FORMS AND ENDORSEMENTS

U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED
U-GL-D-849-B CW	09-04	EMPLOYEE BENEFITS LIAB DEC - CLAIMS MADE
UGL850ACW	07-96	DEDUCTIBLE ENDORSEMENT CLAIMS-MADE
CG 00 01	12-07	COMMERCIAL GENERAL LIABILITY COV FORM
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 73	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 22 75	07-98	PROF LIAB EXCL-COMPUTER SOFTWARE
CG 32 34	01-05	CALIFORNIA CHANGES
U-GL-1369-A	09-08	GL SUPPLEMENTAL COVERAGE ENDT TECHNOLOGY
U-GL-1370-A	09-08	GL SUPPLEMENTAL COV ENDT TECH QUICK REF

U-GU-619-A CW (10/02)

Policy Number
CPO 5912284-01

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-13
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

U-GL-849-B CW	08-04	EMPLOYEE BENEFITS LIABILITY-CLAIMS MADE
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1175-E CW	04-12	ADL INSD A/MATIC OWNR, LESSEE, CONTRACT
U-GL-1177-E CW	04-12	ADL INSD OWNER, LESSE, CONT-SCHEDULED
U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-1387-B CW	05-10	NOTIFI TO OTHERS OF CANC OR NONRENEW
U-GL-1517-A CW	01-12	COLLCTN OR DISTRB OF MATRL OR INFO EXCL

AUTOMOBILE FORMS AND ENDORSEMENTS

U-CA-D-600B	06-10	BUSINESS AUTO DECLARATIONS
U-CA-531-B	02-08	NOTICE REGARDING TERRORISM PREMIUM
CA 00 01	03-10	BUSINESS AUTO COVERAGE FORM
CA 01 22	04-13	KANSAS CHANGES
CA 01 43	05-07	CALIFORNIA CHANGES
CA 02 67	11-12	FL CHANGES - CANCELLATION AND NONRENEWAL
CA 04 24	04-06	CA - AUTO MEDICAL PAYMENTS COVERAGE
CA 04 48	12-10	KANSAS COMMERCIAL AUTO COVERAGE CHANGES
CA 20 48	02-99	DESIGNATED INSURED
CA 21 30	11-08	IL UNINSURED MOTORISTS COVERAGE
CA 21 37	01-05	KS UNINSURED MOTORISTS COVERAGE
CA 21 48	11-08	LA UM COVERAGE - BODILY INJURY
CA 21 53	03-06	IL UM COVERAGE PROPERTY DAMAGE
CA 21 54	09-09	CA UM COVERAGE - BODILY INJURY
CA 21 59	03-06	ALABAMA UM INSURANCE
CA 21 72	10-09	FL UNINSURED MOTORISTS COV - NON STACKED
CA 99 03	03-06	AUTO MEDICAL PAYMENTS COVERAGE
U-CA-825A	03-11	WHO IS AN INSURED AMENDMENT - BROAD FORM
U-CA-424-E CW	04-11	COVERAGE EXTENSION ENDORSEMENT
U-CA-163-B CW	11-06	NAMED DRIVER EXCLUSION ENDT.- EXCLUSION

INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amount shown below.

NAMED INSURED
OMNICELL INC

POLICY NUMBER
CPO 5912284-01

PAYMENT DUE -----	STANDARD PREMIUM -----	TAXES PREPAID -----	TOTAL PREMIUM -----
09/01/13	\$ 93,770.00	\$ 1,593.36	\$ 95,363.36
12/01/13	\$ 62,606.00		\$ 62,606.00
03/01/14	\$ 62,606.00		\$ 62,606.00
06/01/14	\$ 62,606.00		\$ 62,606.00
TOTAL	\$ 281,588.00	\$ 1,593.36	\$ 283,181.36

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS

590 E MIDDLEFIELD
MOUNTAIN VIEW, CA 94043

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
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CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 3

PREMISES ADDRESS

3661 BURWOOD DR
WAUKEGAN, IL 60085

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

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From: 9/1/2013 To: 9/1/2014
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POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 4

PREMISES ADDRESS

443 DONELSON PIKE STE 200
STE 200
NASHVILLE, TN 37214

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
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ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 5

PREMISES ADDRESS

1710 LITTLE ORCHARD PKWY
SAN JOSE, CA 95125

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

NOT COVERED

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 6

PREMISES ADDRESS

2003 GANDY BLVD
SAINT PETERSBURG, FL 33702

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 950,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 7

PREMISES ADDRESS

21540 DRAKE RD
STRONGSVILLE, OH 44149

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 8

PREMISES ADDRESS

5501-A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

SUMMARY OF PREMISES

PREMISES # 10

PREMISES ADDRESS

725 SYCAMORE
MILPITAS, CA 95035

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
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POLICY NUMBER:

CPO 5912284-01

BLANKET LIMITS OF INSURANCE

PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE \$ 36,963,311

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all "**personal property**" at "**premises**" for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If "**personal property**" coverage does not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a more specific Limit of Insurance is shown for "**personal property**" at a "**premises**", that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE \$ 26,000,000

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of "**business income**" and "**extra expense**" at "**premises**" for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If "**business income**" or "**extra expense**" coverage does not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a more specific Limit of Insurance is shown for "**business income**" or "**extra expense**" at a "**premises**", that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
CIVIL AUTHORITY			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$	25,000	PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$	250,000	PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$	250,000	PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$	25,000	PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$	25,000	PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY			COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$	500,000	PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$	2,500	PER OCCURRENCE
DEFERRED PAYMENTS	\$	50,000	PER OCCURRENCE
DELAYED NET INCOME			INCLUDED
DEPENDENT BUSINESS INCOME--UNSCHEDULED LOCATIONS	\$	1,000,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

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CPO 5912284-01

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
ELECTRONIC VANDALISM			
BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
DIRECT DAMAGE	\$	100,000	ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$	25,000	PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME			COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME			UNLIMITED
EXTRA EXPENSE	\$	25,000	PER PREMISES
FAIRS OR EXHIBITIONS			
BUSINESS INCOME	\$	10,000	PER OCCURRENCE
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$	250,000	PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS			COVERED
FOOD AND DRUG ADMINISTRATION (FDA) RECERTIFICATION--BUSINESS INCOME			INCLUDED
INFLATION GUARD			
PERSONAL PROPERTY		4	% ANNUAL
INGRESS/EGRESS			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
LOCK AND KEY REPLACEMENT	\$	25,000	PER PREMISES
MICROORGANISMS	\$	50,000	ANNUAL AGGREGATE
MICROORGANISMS--BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
NEWLY ACQUIRED PREMISES			
REAL PROPERTY	\$	2,000,000	FOR 180 DAYS
PERSONAL PROPERTY	\$	1,000,000	FOR 180 DAYS
BUSINESS INCOME	\$	250,000	FOR 180 DAYS
EXTRA EXPENSE	\$	25,000	FOR 180 DAYS
		THE ABOVE LIMITS APPLY SEPERATELY TO EACH NEWLY ACQUIRED PREMISES	
NEWLY ACQUIRED PROPERTY			
REAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
PERSONAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
OFF-PREMISES SERVICE INTERRUPTION--DIRECT\$ DAMAGE		1,000,000	PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS\$		250,000	PER PREMISES
	\$	5,000	PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL--LAND AND\$ WATER		50,000	ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY		180	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
PROFESSIONAL FEES	\$	25,000	PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES			
REAL PROPERTY			NOT COVERED
PERSONAL PROPERTY			NOT COVERED
BUSINESS INCOME			NOT COVERED
EXTRA EXPENSE			NOT COVERED
REWARD PAYMENTS	\$	25,000	PER OCCURRENCE
SALESPERSONS SAMPLES	\$	25,000	PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$	100,000	PER PREMISES
THEFT DAMAGE TO BUILDINGS			COVERED
UNREPORTED PREMISES			
REAL PROPERTY	\$	100,000	PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$	500,000	PER UNREPORTED PREMISES
EXTRA EXPENSE	\$	250,000	PER UNREPORTED PREMISES
BUSINESS INCOME	\$	250,000	PER UNREPORTED PREMISES



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
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POLICY NUMBER:

CPO 5912284-01

MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE	LIMIT OF INSURANCE		
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$	500,000	PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS)--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
FINE ARTS	\$	25,000	PER PREMISES
FINE ARTS--AWAY FROM PREMISES	\$	25,000	PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY			
STOCK TO BE INSTALLED	\$	50,000	PER OCCURRENCE--INSTALLATION PREMISES
	\$	50,000	PER OCCURRENCE--TEMPORARY STORAGE LOCATION
	\$	50,000	PER OCCURRENCE--TRANSIT
TOOLS AND EQUIPMENT			
SCHEDULED EQUIPMENT			NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$	1,000	PER ANY ONE ITEM
	\$	50,000	PER OCCURRENCE
Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.			
ORIGINAL INFORMATION PROPERTY	\$	500,000	PER PREMISES
ORIGINAL INFORMATION PROPERTY--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
TRANSIT			
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
BUSINESS INCOME	\$	10,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

DEDUCTIBLES

GENERAL DEDUCTIBLES

PROPERTY DEDUCTIBLE	\$	100,000 PER OCCURRENCE
---------------------	----	------------------------

The above deductible applies to all loss, damage, cost, or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

BUSINESS INCOME AND EXTRA EXPENSE WAITING PERIOD	24 HOURS
---	----------

The above waiting period applies to all loss or expense covered by Business Income and Extra Expense coverages contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

OFF PREMISES SERVICE INTERRUPTION--TIME ELEMENT WAITING PERIOD	24 HOURS
--	----------

The above waiting period applies to all loss or expense covered by Off-Premises Service Interruption--Time Element coverage contained in this Commercial Property Coverage Part.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

DEDUCTIBLES

CATASTROPHE PERIL DEDUCTIBLES

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by "**flood**" is subject to separate deductible amounts. The deductibles applicable to "**flood**" are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Flood coverage applies to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

WIND AND HAIL DEDUCTIBLES

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Wind and Hail Deductibles apply to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

APPLICATION OF MULTIPLE DEDUCTIBLES

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under "**time element coverage**". This provision does not apply to Covered Property and "**time element coverage**" for covered loss or damage due to "**earth movement**", "**flood**", "**named storm**", or to wind or hail when a separate Wind and Hail Deductible is applicable.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2013 To: 9/1/2014
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-01

CATASTROPHE COVERAGE--LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those "**premises**" that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at "**reported unscheduled premises**", those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMIT OF INSURANCE AND DEDUCTIBLES

FLOOD

PREMISES

SEE SUMMARY OF PREMISES SECTION

OCCURRENCE

\$ 1,000,000

ANNUAL AGGREGATE

\$ 1,000,000

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION

WIND AND HAIL--DIRECT DAMAGE AND TIME

ELEMENT

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION



Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a. Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b. Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and visa versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. However, this provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**, sprinkler leakage as a result of **"earth movement"**, **"flood"**, **"hamed storm"**, or wind and hail.

Loss or damage to Covered Property caused by **"earth movement"**, sprinkler leakage as the result of **"earth movement"**, **"flood"**, **"hamed storm"**, and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"Installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Sprinkler Leakage--Earth Movement Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.


ZURICH

Commercial Property Conditions

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ZURICH

Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage, including a description of the property involved.
 - c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **"covered cause of loss"**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, **"member"**, director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

1. All of its terms have been fully complied with; and

2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:

- a. Pay the amount of the loss or damage;
- b. Pay the cost of repairing or replacing the lost or damaged property;
- c. Take all or any part of the property at an agreed or appraised value; or
- d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. If we elect to exercise option 1.c. with respect to any branded or labeled **"merchandise"** or **"finished stock"**, you may:

- a. Stamp salvage on the **"merchandise"** or **"finished stock"**, or its containers, if the stamp will not physically damage the **"merchandise"** or **"finished stock"**, or
- b. Remove the brands or labels, if doing so will not physically damage the **"merchandise"** or **"finished stock"**. You must relabel the **"merchandise"** or **"finished stock"**, or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.

3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.

7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to **"personal property of others"** may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.
3. When this Commercial Property Coverage Part provides coverage for property in transit, and the property is being transported by an aircraft, the coverage territory is extended to anywhere in the world for that property while in transit, as long as either the origin or destination is included in 2. above and neither the origin nor destination is in any country upon which the United States government or Canadian government has imposed sanctions, embargoes, or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:

- a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
- a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be **"suspended equipment"** when the property is found to be in, or exposed to, a dangerous condition, provided we have:

1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as **"suspended equipment"**; and
2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of **"suspended equipment"** can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of **"suspended equipment"** will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of **"suspended equipment"** will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured under this Commercial Property Coverage Part;
 - b. A business firm owned or controlled by you;

- c. A business firm, or an individual, that owns or controls you; or
- d. Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

1. We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
2. We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
3. We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**, plus
 - b. **"Continuing expenses"**.

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6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
- b. Seasonal activity planned in advance;
- c. Schedule delays due to weather; or
- d. Labor actions beyond your control.

7. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.

8. **"Continuing expenses"** means:

- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
- b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.

"Continuing expenses" does not mean:

- a. **"Extra expense"**;
- b. Expediting expense; or
- c. **"Research and development continuing expenses"**;
- d. Depreciation of **"stock"**, plant, or machinery damaged by a **"covered cause of loss"**; or
- e. Bad debts.

9. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

10. **"Contractor's equipment"** means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,

owned by you or owned by others in your care, custody, or control.

"Contractor's equipment" does not mean:

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- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. **"Contractor's employees' property"**, or
- e. Recreational watercraft.

11. **"Contributing locations"** means locations owned and operated by others who:

- a. You depend on to deliver materials or services to you, or others for your account; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

"Contributing locations" does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **"Manufacturing locations"**.

12. **"Covered cause of loss"** means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

"Covered cause of loss" does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or
- b. Damage.

13. **"Defective materials"** means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

14. **"Denial of service"** means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

15. **"Dependent premises"** means the following types of locations:

- a. **"Contributing locations"**,
- b. **"Recipient locations"**,
- c. **"Manufacturing locations"**, and
- d. **"Leader locations"**.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

"Dependent premises" does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

16. **"Duplicate information property"** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Duplicate information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**, or
- e. **"Electronic data processing hardware"**.

17. **"Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

18. **"Electronic data processing hardware"** means:

- a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;
- b. Telephone equipment; and
- c. Facsimile equipment.

"Electronic data processing hardware" does not mean computers, devices, or components which:

- a. Exist primarily to control or operate machinery or equipment or to produce **"stock in process"** or **"finished stock"**; or
- b. Are **"stock"**.

19. **"Electronic vandalism"** means:

- a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"**;
- b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of **"electronic data processing hardware"** and may destroy, alter, contaminate, or compromise the integrity, quality, or performance of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, or **"original information property"**;
- c. Unauthorized viewing, copying, or use of any electronic **"accounts receivable records"**, **"duplicate information property"**, or **"original information property"**; and
- d. **"Denial of service"**.

20. **"Equipment breakdown cause of loss"** means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;

- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

21. **"Extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity–Business Income to the date the **"period of restoration"** ended.

"Extended period of indemnity" does not mean **"research and development extended period of indemnity"**.

22. **"Extra expense"** means operating expenses you incur during the **"period of restoration"** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **"suspension"** of or to continue those **"operations"** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **"period of restoration"**.

"Extra expense" does not mean:

- a. Costs incurred to purchase **"merchandise"** as a replacement for your **"finished stock"**;
- b. **"Continuing expenses"** or **"research and development continuing expenses"**;
- c. Costs to repair, rebuild, or replace any property, or research or restore **"original information property"**; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

23. **"Fine arts"** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.

24. **"Finished stock"** means **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale.

"Finished stock" does not mean **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.

25. **"Fire protection sprinkler system piping"** means valves, fittings, and piping located above the lowest floor, and limited to risers, check valves, control valves, gauges, feed mains, cross mains, branch lines, arm-overs, sprigs, and automatic sprinkler heads located inside the building as part of the fire protection sprinkler system.
26. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:
- a. The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - b. Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.
27. **"Fungus"** means any type or form of fungus, mold, or mildew and any mycotoxins, spores, scents, or by-products produced or released by fungi.
28. **"Goods you have manufactured"** means:
- a. Goods manufactured at a location you own or operate; and
 - b. Goods manufactured at a location that you do not own or operate, provided:
 - 1) You contracted for the goods to be manufactured exclusively for you; and
 - 2) You are the owner or licensee of the design, patent, trademark, or copyright for the goods.
29. **"Gross earnings"** means the sum of:
- a. Total net sales value of production in manufacturing **"operations"**;
 - b. Total net sales of **"merchandise"** in mercantile **"operations"**; and
 - c. Other earnings derived from **"operations"**;
- Less the cost of:
- a. **"Raw stock"** used in the production and manufacturing **"operations"** in a. above;
 - b. Supplies consisting of materials consumed directly in the conversion of such **"raw stock"** into **"finished stock"** or in supplying the services sold by you;
 - c. **"Merchandise"** sold, including packaging materials; and
 - d. Services purchased from others (not your employees, including leased or temporary employees) for resale that do not continue under contract.
30. **"Gross leasehold interest"** means:
- a. The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
 - b. The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.

Example:

Monthly rental value of your leased "premises" :	\$1,000
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Monthly rent including taxes, insurance, janitorial,
or other services that you pay for as part of the rent: - \$700

'Gross leasehold interest' \$300

31. **'Improvements and betterments'** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you; and
- c. Which you cannot remove legally.

32. **'Installation property'** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **'Installation or service premises'**.

'Installation property' does not mean **'landscaping materials'**.

33. **'Installation or service premises'** means a location that is not owned, leased, or operated by you, at which you are installing or servicing property.

'Installation or service premises' does not mean a **'tipping premises'**.

34. **'Landscaping materials'** means trees, shrubs, plants, grass, lawns, and other landscaping materials owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **'Installation or service premises'**.

'Landscaping materials' does not mean trees, shrubs, plants, grass, lawns, and other landscaping materials that exist as a permanent part of an **'Installation or service premises'** prior to the start of the project.

35. **'Leader locations'** means locations owned and operated by others who you depend on to attract customers to your business.

36. **'Malfunction'** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.

37. **'Manager'** means a person elected by the **'members'** to direct the limited liability company's business affairs.

38. **'Manufacturing locations'** means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.

39. **'Market value'** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.

40. **'Member'** means an owner of a limited liability company represented by its membership interest, who also may serve as a **'manager'**.

41. **'Merchandise'** means:

- a. Goods held for sale or installation by you which are not **'goods you have manufactured'**; and
- b. **'Goods you have manufactured'** which are completed and ready for packing, shipment, installation, or sale on a **'premises'** or **'reported unscheduled premises'** of any retail outlet at which you are insured by Business Income Insurance.

42. **'Microorganism'** means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, **'fungus'**, wet or dry rot, virus, algae, or bacteria, or any by-product.

43. **"Mistake"** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.

44. **"Money"** means:

- a. Currency, coins, bullion, or bank notes, whether or not in current use; and
- b. Travelers checks, register checks, food stamps, and money orders held for sale to the public.

45. **"Monthly leasehold interest"** means the original costs you paid for:

- a. Bonus Payments – **"Money"** you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
- b. Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment	\$4,000
With 20 months left in the lease at the time of Bonus Payment	÷20
"Monthly leasehold interest"	\$200

46. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.

47. **"Net leasehold interest"** means the sum of:

- a. The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
- b. Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000
"Net leasehold interest"	
Subtotal a. + Subtotal b.	\$9,526

48. **"Newly acquired premises"** means a permanently fixed location you own, lease, rent, or control. The location becomes a **"newly acquired premises"** on the later of:

- a. The date you obtain possession or control of the location; or
- b. The date **"real property"** or **"personal property"** in which you have an insurable interest is first placed at the location.

"Newly acquired premises" does not mean:

- a. A **"premises"**;
- b. An **"unreported premises"**;
- c. A **"reported unscheduled premises"**;
- d. A fair or exhibition;
- e. An **"Installation or service premises"**;
- f. A **"rigging premises"**; or
- g. A **"temporary storage location"**.

49. **"Off-premises service interruption"** means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

50. **"Operations"** means:

- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
- b. The covered location is tenantable prior to the physical loss or damage.

"Operations" does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **"Research and development operations"**.

51. **"Original information property"** means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Original information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**;
- e. **"Electronic data processing hardware"**; or
- f. **"Research and development property"**.

52. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**, or
- d. **"Stock"**.

53. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

54. **"Personal property"** means:

- a. **"Your personal property"**;
- b. **"Your employees' personal property"**;
- c. **"Personal property of others"** in your care, custody, or control;
- d. The value of labor, materials, or services furnished or arranged by you on **"personal property of others"**;
- e. Your interest in **"Improvements and betterments"** to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Money"**, bills, notes, or **"securities"**;
- e. Contraband or property in the course of illegal transportation or trade;
- f. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as **"stock"** while inside of buildings;
- g. **"Fine arts"**;
- h. **"Original information property"**;
- i. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;

But not:

 - 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
 - 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
 - 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- j. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- k. **"Research and development property"**.

55. **"Personal property of others"** means personal property not owned by you, your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).
56. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant, or **"contaminant"**, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.
57. **"Premises"** means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **"time element coverage"**, **"premises"** includes those portions of the location not rented or intended to be rented to others.

58. **"Raw stock"** means material in the state in which you acquired it for conversion into **"finished stock"**.

59. **"Real property"** means:

- a. Buildings;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **"premises"** or **"reported unscheduled premises"**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

"Real property" does not mean:

- a. **"Fine arts"**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **"Outdoor trees, shrubs, plants, or lawns"**;
- g. **"Research and development property"**;
- h. **"Contractor's equipment"**;
- i. **"Contractor's employees' property"**;
- j. **"Installation property"**;
- k. **"Landscaping materials"**, or

I. Property of others in your care, custody, or control for **"rigging"**.

60. **"Recipient locations"** means locations owned or operated by others, who you depend on to accept your products or services.

61. **"Replacement cost"** means the lesser of:

a. **Repair Cost**

The cost to repair the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the **"real property"** when those costs are a consequence of enforcement of such codes.

b. **Rebuild Cost**

The cost to rebuild the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. **Replace Cost**

The cost to replace the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and **"personal property"** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **"real property"** or **"personal property"**.

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of **"real property"** or **"personal property"** at the **"premises"** or **"reported unscheduled premises"**, and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, **"replacement cost"** includes the costs to demolish and clear the site of the undamaged portion of the **"real property"** or **"personal property"**.

"Replacement cost" does not mean:

- a. Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
- b. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by **"pollutants"** or due to the presence, growth, proliferation, spread, or any activity of **"microorganisms"**; or
- c. Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.

62. **"Reported unscheduled premises"** means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, business income, or extra expense to be covered; and
- c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. An **"unreported premises"**;
- d. A fair or exhibition;
- e. An **"Installation or service premises"**;
- f. A **"temporary storage location"**;
- g. A **"rigging premises"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

63. **"Research and development continuing expenses"** means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.

64. **"Research and development extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph **b.** of the Extended Period of Indemnity Additional Coverage; or
- b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity–Business Income to the date the **"period of restoration"** ended.

65. **"Research and development operations"** means your business activities where **"research and development property"** is being planned, created, developed, or tested.

66. **"Research and development property"** means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;

- e. Biological products, processes, or cultures; and
- f. **"Research animals"**.

"Research and development property" does not mean:

- a. Animals, other than **"research animals"**;
- b. **"Money"**, bills, notes, or **"securities"**;
- c. **"Stock"**;
- d. **"Fine arts"**, or
- e. Growing plants or crops.

67. **"Research animal"** means any multi-cellular organism that is used in your **"research and development operations"**.

68. **"Rigging"** means rigging, hoisting, moving, erecting, lowering, and millwright work.

69. **"Rigging premises"** means a location for the purpose of:

- a. **"Rigging"**;
- b. Assembling or dismantling work done in connection with a **"rigging"** project; or
- c. Operations incidental to a **"rigging"**, assembling, or dismantling project.

70. **"Salespersons samples"** means **"personal property"** that is in the custody of one of your salespersons and used only for sample purposes.

71. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or property and includes:

- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

"Securities" does not mean:

- a. **"Money"**, or
- b. Lottery tickets held for sale.

72. **"Sinkhole collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

"Sinkhole collapse" does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **"flood"**, or
- c. Cost of filling sinkholes.

73. **"Specified causes of loss"** means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. **"Sinkhole collapse"**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:
 - 1) **"Personal property"** in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice, or sleet;
- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. **"Equipment breakdown cause of loss"**, excluding loss of or damage to **"stock"** caused by the discharge, dispersal, release, or escape of refrigerants.

74. **"Stock"** means the following:

- a. **"Raw stock"**;
- b. **"Stock in process"**;
- c. **"Finished stock"**, and
- d. **"Merchandise"**.

75. **"Stock in process"** means **"raw stock"** which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become **"finished stock"**.

76. **"Suspended equipment"** means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.

77. **"Suspension"** means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

78. **"Temporary storage location"** means a permanently fixed location where **"stock"** or **"Installation property"** that is to become a permanent part of an **"Installation or service premises"** is stored while waiting to be delivered to an **"Installation or service premises"**:

- a. That you do not own, lease, or operate; and
- b. Where there is a written construction or installation contract or agreement to install **"stock"** or **"Installation property"** at that **"Installation or service premises"**.

"Temporary storage location" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition; or
- f. An **"unreported premises"**.

79. **"Time element coverage"** means the coverage provided under any of the following:

- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);
- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

80. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"Installation or service premises"**;
- g. A **"temporary storage location"**, or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

81. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).
82. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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ZURICH

Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"real property"** or **"personal property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any **"off-premises service interruption"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **"premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:

1. \$2,500 for furs, fur garments, and garments trimmed with fur.
2. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- a. Jewelry or watches worth \$100 or less per item; or
- b. Precious or semiprecious stones or metals used for industrial purposes.
3. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace the **"real property"** or **"personal property"** at the same or another location.
2. Except as provided in 3., 5., 6., and 7. below, **"real property"** or **"personal property"**, other than **"improvements and betterments"**, which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"real property"** or **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Improvements and betterments"** at:
 - a. The **"replacement cost"** if you make repairs with reasonable speed.

- b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:
 - 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - 2) Divide the amount determined in 1) above by the number of days from the installation of **"Improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.

- c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.
6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
7. **"Duplicate information property"** at the lesser of:
- a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

- 1. The amount of covered loss or damage at the **"premises"**, or
- 2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

- 1. Any Limit of Insurance applicable to more than one **"premises"**; or
- 2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.


ZURICH

Additional Coverages Form

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ZURICH

Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for **"stock"** under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to **"stock"** under the Consequential Loss–Undamaged Stock Additional Coverage, or any other Additional Coverage for **"stock"**.

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss–Net Leasehold Interest

We will pay for the loss of **"net leasehold interest"** you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**. We will not pay more than the **"net leasehold interest"** at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the **"premises"** or **"reported unscheduled premises"** under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the **"premises"** or **"reported unscheduled premises"** where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss–Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss—Tenant's Improvements and Betterments

We will pay for the value of undamaged **"Improvements and betterments"** when your lease is cancelled:

a. By the lessor; and

b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

a. At least 25% of the area of that entire building has been damaged; or

b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

a. A minimum of 6 months remains in your lease; and

b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss—Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss—Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss—Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal—Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal—Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
 - 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. Electronic Vandalism—Direct Damage

We will pay for loss of or damage to **"accounts receivable records", "duplicate information property", "electronic data processing hardware", or "original information property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism—Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of covered loss of or damage to **"real property"** or **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property"** or **"personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
 - b. In transit to or from fairs or exhibitions,
- directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions—Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a **"covered cause of loss"**.

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 =$	\$ 3,200
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a **"premises"** or **"reported unscheduled premises"** are stolen; or

- b. Entry lock repair or replacement made necessary by theft or attempted theft at a **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. **Microorganisms**

We will pay the following when **"microorganisms"** are the result of a **"covered cause of loss"**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **"microorganisms"**, including the cost of removal of the **"microorganisms"**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **"microorganisms"**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **"microorganisms"** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **"microorganisms"** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. **Newly Acquired Premises**

We will pay for direct physical loss of or damage to **"real property"** or **"personal property"** at a **"newly acquired premises"** directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. **Newly Acquired Property**

We will pay for direct physical loss of or damage to:

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- a. Your newly acquired or constructed **"real property"** at a **"premises"** if coverage is not currently shown for **"real property"** at that **"premises"** on the Declarations; and
- b. Your newly acquired **"personal property"** at a **"premises"** if coverage is not currently shown for **"personal property"** at that **"premises"** on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **"real property"** begins or completed **"real property"** or **"personal property"** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **"real property"** begins or **"personal property"** or completed **"real property"** is acquired.

The most we will pay under this Additional Coverage at any one **"premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption—Direct Damage

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to any property located away from the **"premises"** or **"reported unscheduled premises"** and used to provide any of the following services to the **"premises"** or **"reported unscheduled premises"**:

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption—Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** at a **"premises"** or **"reported unscheduled premises"** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or

e. Aircraft.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal—Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal—Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency;
or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"**, other than **"salespersons samples"** or property in transit, at an **"unreported premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.



ZURICH

**Accounts Receivable Coverage Form
(Revenue Loss)**

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Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)–Away From Premises

We will also pay for:

1. The **"money"** due you from customers that you are unable to collect;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)–Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"accounts receivable records"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including

leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"accounts receivable records"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"accounts receivable records"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **"accounts receivable records"**, the following method will be used to determine the amount of covered loss, damage, or expense:

- 1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
- 2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

- 1. The amount of the accounts receivable for which there is no loss or damage;
- 2. The amount of the accounts receivable that you are able to re-establish or collect;
- 3. An amount to allow for probable bad debts that you are normally unable to collect; and
- 4. All unearned interest and service charges.

Fine Arts Coverage Form



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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

- a. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"fine arts"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"fine arts"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"fine arts"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **"fine arts"** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or
- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to **"fine arts"** caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **"Fine arts"** are valued based on the lesser of:
 - a. **"Market value"** at the time of loss or damage; or
 - b. The value of **"fine arts"** that are individually listed and described on the schedule on file with us.

2. Pairs or Sets

In case of loss to any part of a pair or set, we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between the value of the pair or set before and after the loss.



ZURICH

Installation and Service Property Coverage Form

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ZURICH

Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"Installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"Installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property–Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"Installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"Installation or service premises"**; or
- b. In transit, to or from an **"Installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property–Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

5. **Governmental Action**

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **"real property"** containing covered **"personal property"** directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

6. **Loss of Market or Delay**

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. **Microorganisms**

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. **"Stock"** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:
 - 1) Planning, zoning, development, surveying, siting;
 - 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) Materials used in repair, construction, renovation, or remodeling; or
 - 4) Maintaining or servicing,

of part or all of any property on or off an **"Installation or service premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off an **"Installation or service premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to **"personal property"** that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for **"stock"** by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace Covered Property.
2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. Covered Property which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form



A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from a **"mistake"** in:

- 1) Planning, zoning, development, surveying, siting;
- 2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) Materials used in repair, construction, renovation, or remodeling; or
- 4) Maintaining or servicing,

of part or all of **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"original information property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"original information property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by any **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event

would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"original information property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is not other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged **"original information property"** at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your **"original information property"**. We will not include the cost of making additional copies.



Transit Coverage Form

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ZURICH

Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
3. General average and salvage charges on shipments while waterborne,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit–Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"Installation or service premises"**;
5. **"Stock"** in transit to or from an **"Installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. **Suspended Equipment**

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

10. **War and Military Action**

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. **DEDUCTIBLE**

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. **ADDITIONAL CONDITIONS**

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to **"personal property"** in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If **"personal property"** in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such **"personal property"** because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. **VALUATION**

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace **"personal property"**.

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



ZURICH

**Business Income Coverage Form
Including Research and Development
Continuing Expenses
(Excluding Extra Expense)--Technology**

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ZURICH

Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology

A. COVERAGES

1. Business Income

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

2. Research and Development Continuing Expenses

We will pay for the actual and necessary **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"research and development operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which **"research and development operations"** are conducted and for which a Limit of Insurance is shown on the Declarations for Research and Development Continuing Expenses. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to the number of days shown on the Declarations for Civil Authority following the necessary **"suspension"**, or delay in the start, of your **"research and development operations"** when a civil authority prohibits access to the **"premises"** where **"research and development operations"** are conducted.

The **"suspension"**, or delay in the start, of your **"research and development operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"premises"** where the **"research and development continuing expenses"** are incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"premises"** or **"reported unscheduled premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Delayed Net Income

We will pay for the actual loss of **"net income"** you sustain after the **"extended period of indemnity"**.

We only pay if the following conditions apply:

- a. The loss of **"net income"** must be caused by direct physical loss of or damage to property directly related to **"research and development operations"** at a **"premises"** or **"reported unscheduled premises"** at which a Limit of Insurance is shown on the Declarations for Business Income and must result in a delay in the introduction of a new product or the enhancement of an existing product;
- b. The loss or damage must be directly caused by a **"covered cause of loss"**;
- c. You begin to sustain the loss of **"net income"** within 24 months of the date of the direct physical loss of or damage to property; and
- d. You notify us in writing of such loss of **"net income"** within 24 months of the date of the direct physical loss or damage.

We will only pay the actual loss of **"net income"** you sustain during the period that:

- a. Begins on the first date after the **"extended period of indemnity"** on which you begin to sustain the loss of **"net income"**; and
- b. Continues for a period of time equal to the time it should have taken, with reasonable speed, to repair, rebuild, or replace the damaged property to the condition that existed prior to the loss or damage.

If a competitor introduces a similar product prior to the date you originally scheduled the introduction of a new or enhanced product, then the amount of the **"net income"** loss will be adjusted to reflect the competitor's action.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

4. **Electronic Vandalism**

We will pay for the actual loss of **"business income"** you sustain and **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"operations"** or **"research and development operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism–Business Income.

5. **Expense to Reduce Loss**

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form.

6. **Extended Period of Indemnity**

- a. If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. If the necessary **"suspension"** of your **"research and development operations"** directly causes a suspension, lapse, or cancellation of any license, lease, or contract, including milestone contracts, we will pay the portion of **"research and development continuing expenses"** directly attributable to that suspension, lapse, or cancellation during the **"research and development extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

7. **Fairs or Exhibitions**

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss

of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions–Business Income.

8. Food and Drug Administration (FDA) Recertification–Business Income

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"operations"** and ends when the FDA approves and certifies the **"premises"** or **"reported unscheduled premises"** to resume your **"operations"** at the same level of certification that existed prior to the **"suspension"** of your **"operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

9. Food and Drug Administration (FDA) Recertification–Research and Development Continuing Expenses

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"research and development operations"** and ends when the FDA approves and certifies the **"premises"** to resume your **"research and development operations"** at the same level of certification that existed prior to the **"suspension"** of your **"research and development operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"research and development operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

10. Ingress/Egress

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be directly caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"research and development operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be directly caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** where the **"research and development operations"** are conducted. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

11. Microorganisms

We will pay for the actual loss of **"business income"** you sustain due to the:

- a. Necessary **"suspension"** of your **"operations"** from direct physical loss of or damage to Covered Property caused by **"microorganisms"** when the **"microorganisms"** are the result of a **"covered cause of loss"**; or
- b. Prolonged **"period of restoration"** due to the remediation of **"microorganisms"** from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms–Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the **"microorganisms"** continue to be present, active, or recur.

12. Newly Acquired Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises–Business Income.

13. Reported Unscheduled Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises–Business Income.

14. Transit

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit–Business Income.

15. Unreported Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises–Business Income.

C. EXCLUSIONS**1. Real or Personal Property**

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** and **"research and development continuing expenses"** caused by or resulting from loss of or damage to any property other than:

- a. **"Research and development property"**;
- b. **"Fine arts"**;
- c. **"Original information property"**;
- d. **"Outdoor trees, shrubs, plants, or lawns"**; or
- e. **"Personal property"** in transit.

2. Research and Development Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM apply to loss of **"business income"** and **"research and development continuing expenses"** caused by or resulting from loss of or damage to **"research and development property"**.

3. Fine Arts

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"fine arts"**.

4. Original Information Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of **"business income"** and **"research and development continuing expenses"** caused by or resulting from loss of or damage to **"original information property"**.

5. Personal Property in Transit

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"personal property"** in transit.

6. Finished Stock

We will not pay for loss of **"business income"** caused by or resulting from:

- a. Loss of or damage to **"finished stock"**, or
- b. The time required to replace **"finished stock"**.

7. Off-Premises Service Interruption

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

8. Suspension, Lapse, or Cancellation

- a. We will not pay for any loss of **"business income"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"extended period of indemnity"**.
- b. We will not pay for any **"research and development continuing expenses"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"research and development operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"research and development operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"research and development extended period of indemnity"**.

D. LIMITATIONS**1. Idle Periods**

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverages, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"** or **"research and development operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION**1. Sources of Information**

The amount of **"business income"** loss will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of **"net income"** incurred will be determined based on:

- a. The **"net income"** of the business before the direct physical loss or damage occurred; and
- b. The likely **"net income"** of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of **"continuing expenses"** will be those expenses which are necessary to resume your **"operations"** with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"extended period of indemnity"**.

4. Resumption of Operations

We will reduce the amount of the **"business income"** loss payment and **"research and development continuing expenses"**:

- a. To the extent you could resume your **"operations"** or **"research and development operations"**, in whole or in part, by using damaged or undamaged property, including **"stock"**; or
- b. To the extent you could resume your **"operations"** or **"research and development operations"**, in whole or in part, by using any other location.

5. Research and Development Continuing Expenses

The amount of **"research and development continuing expenses"** will be those expenses which are necessary to resume **"research and development operations"** of the same or similar nature that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"research and development extended period of indemnity"**.

6. Finished Stock and Merchandise

Lost or damaged **"finished stock"** or **"merchandise"** that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of **"business income"** is the lesser of:

- a. The amount of loss sustained during the 120 days immediately following the beginning of the **"period of restoration"**; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition—Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

2. Monthly Limit of Indemnity

The most we will pay for loss of **"business income"** in each period of 30 consecutive days after the beginning of the **"period of restoration"** is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition—Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

Example:

If:

- a. The Limit of Insurance is \$120,000.
- b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



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Extra Expense Coverage Form

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ZURICH

Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur due to the action of a civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"** caused by direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Civil Authority from the date the civil authority prohibits access.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The loss or damage must be caused by a **"covered cause of loss"** to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**.

This Additional Coverage is limited to the number of days shown on the Declarations for Ingress/Egress following the date the physical obstruction prohibits ingress or egress.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises–Extra Expense.

4. Reported Unscheduled Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises–Extra Expense.

5. Unreported Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises–Extra Expense.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**; or
- c. **"Outdoor trees, shrubs, plants, or lawns"**.

2. Fine Arts

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to **"extra expense"** caused by or resulting from loss of or damage to **"original information property"**.

4. Off-Premises Service Interruption

We will not pay for **"extra expense"** caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for **"extra expense"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any **"extra expense"** from such suspension, lapse, or cancellation which occurs after the **"period of restoration"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for **"extra expense"** during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in **"extra expense"** caused by delay in rebuilding, repairing, or replacing property or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for **"extra expense"** caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

E. DEDUCTIBLE

We will not pay for any **"extra expense"** in any one occurrence until the amount of **"extra expense"** exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of **"extra expense"** in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of **"extra expense"** will be based on relevant sources of information, including, but not limited to :

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of **"extra expense"** will be determined based on:

- a. All **"extra expense"** that exceeds the normal operating expenses that would have been incurred by your **"operations"** during the **"period of restoration"** if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the **"extra expense"** that otherwise would have been incurred.

We will deduct from the total **"extra expense"** the salvage value of any property bought for temporary use during the **"period of restoration"**, once **"operations"** are resumed.

3. Resumption of Operations

We will reduce the amount of **"extra expense"** to the extent you can return **"operations"** to normal and discontinue such **"extra expense"**.



Wind and Hail--Direct Damage and Time Element Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

- A. The Wind and Hail--Direct Damage and Time Element Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
- B. With respect to any **"premises"** at which a Wind and Hail--Direct Damage and Time Element Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by wind or hail, regardless of whether any other cause or event, including a **"mistake"**, **"malfunction"**, or another weather condition, contributes concurrently or in any sequence to the loss, the following applies:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Wind and Hail--Direct Damage and Time Element Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to the covered loss, damage, cost, or expense at each **"premises"**.

The Wind and Hail Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by wind or hail even if no other deductible applies to the **"time element coverage"**.


ZURICH

Dependent Premises Business Income Coverage--Scheduled Limits and Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE*

Name, Occupancy, and Location of "Dependent Premises"	Limit of Insurance	Deductible
--	---------------------------	-------------------

(A) "Contributing Locations":

(B) "Recipient Locations":

(C) "Manufacturing Locations":

KaGa Electronics, Hong Kong	\$5,000,000	\$500,000
Room 1709-1710, 17/F Miramar Towerm 132 Nathan Rd., Tsimshatsui		
Kowloon, Hong Kong		
PCBA and assembly		

(D) "Leader Locations":

*Information required to complete this Schedule, if not shown on this endorsement, will be shown on the Declarations.

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above at that **"dependent premises"**.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"** described in the Schedule above.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** shown in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

We will not pay more than the applicable Limit of Insurance shown in the Schedule above for that "**dependent premises**".

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a "**suspension**" of "**operations**" caused by direct physical loss of or damage to a "**dependent premises**" described in the Schedule above, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of "**business income**" loss payment to the extent you could resume your "**operations**", in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a "**suspension**" of "**operations**" caused by direct physical loss of or damage to property at a "**dependent premises**" described in the Schedule above, the "**period of restoration**" definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"**Period of restoration**" means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a "**dependent premises**" described in the Schedule above; and
- b. Ends on the date when the property at that "**dependent premises**" should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"**Period of restoration**" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**pollutants**" or "**microorganisms**".

The expiration of this policy will not cut short the "**period of restoration**".

F. DEDUCTIBLE

With respect to a "**suspension**" of "**operations**" caused by direct physical loss of or damage to a "**dependent premises**" described in the Schedule above, Section E. Deductible in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE), the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY, and the EXTRA EXPENSE COVERAGE FORM is replaced by the following:

We will not pay for any loss of "**business income**" or "**extra expense**" in any one occurrence until the amount of loss or expense exceeds the applicable Deductible shown in the Schedule above at that "**dependent premises**".

where the loss or damage occurred. We will then pay the amount of loss or expense in excess of the Deductible, up to the applicable Limits of Insurance.

Any other deductible otherwise applicable to "**business income**" or "**extra expense**" does not apply to coverage provided by this endorsement.



ZURICH

Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days following the necessary **"suspension"**, or delay in the start, of your **"operations"** when a civil authority prohibits access to a **"dependent premises"**.

The **"suspension"**, or delay in the start, of your **"operations"** must be caused by direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will also pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

If this Optional Coverage applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to any loss or damage covered by this Optional Coverage.

The most we will pay under this Optional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income–Unscheduled Locations.

The Limit for this Optional Coverage is included in, and not in addition to, that Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

1. Sources of materials or services; or
2. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins with the time of the direct physical loss of or damage to property at a **"dependent premises"**; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.

- F. Coverage provided by this endorsement does not apply at any location at which **"business income"** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)–TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage–Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Dependent premises"**;
2. Fairs or exhibitions;
3. **"Newly acquired premises"**;
4. **"Reported unscheduled premises"**;
5. **"Unreported premises"**; or
6. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by **"flood"** at any one **"premises"** is the Limit of Insurance shown on the Declarations for Flood for that **"premises"**.

2. Occurrence Limit

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by **"flood"**, regardless of the number of **"premises"** involved, is the occurrence Limit of Insurance shown on the Declarations for Flood.

3. Annual Aggregate Limit

The most we will pay for loss or damage caused directly or indirectly by **"flood"** in any one policy year, regardless of the number of occurrences or **"premises"** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Flood.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by **"flood"**, the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition—Coinsurance endorsement does not apply to coverage provided by this endorsement.


ZURICH

Off-Premises Service Interruption--Time Element

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

SCHEDULE					
Premises #	Water/ Sewer	POWER		COMMUNICATION	
		Including Overhead T&D Property	Excluding Overhead T&D Property	Including Overhead T&D Property	Excluding Overhead T&D Property
1	X		X		X
5	X		X		X
6	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM

We will pay for the actual loss of **"business income"** you sustain and actual and necessary **"extra expense"** you incur, as determined by the applicable Coverage Form, provided such loss and expense was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption–Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption–Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption–Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE

FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption–Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. **Power**

Power includes all sources of power, including steam and natural gas.

2. **Reported Unscheduled Premises (RUP)**

The Premises Symbol–RUP means all **"reported unscheduled premises"**.

3. **T&D Property**

The terms Including Overhead T&D Property and Excluding Overhead T&D Property have the following meanings:

- a. Including Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Excluding Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. **ADDITIONAL COVERAGES**

1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM IS extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

- E.** The Additional Condition—Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** in any one occurrence until the amount of loss or expense exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption—Time Element. We will then pay the amount of loss or expense in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a waiting period is shown on the Declarations, the waiting period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.



California Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

COMMERCIAL PROPERTY CONDITIONS

- A. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- B. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by a **"covered cause of loss"** other than fire:

This Commercial Property Coverage Part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- C. Except as provided in D. below, the Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form, or if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

- D. The Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect losses covered by the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)–TECHNOLOGY:

If we and you disagree on the amount of **"net income"** and **"continuing expenses"** or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of **"net income"** and **"continuing expenses"** or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.



Florida Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following provisions only apply with respect to **"premises"** and **"reported unscheduled premises"** in the state of Florida:

- A. The following provision applies when the Additional Condition--Coinsurance endorsement is applicable:

Florida Law states as follows:

Coinsurance contract: The rate charged in this Commercial Property Coverage Part is based upon the use of the coinsurance clause attached to this Commercial Property Coverage Part, with the consent of the insured.

- B. If wind is a **"covered cause of loss"** and loss or damage to Covered Property is caused by or resulting from wind, the following is added to Section B., Excluded Causes of Loss, in the REAL AND PERSONAL PROPERTY COVERAGE FORM and applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:
 - a. Indian River; and
 - b. St. Lucie.

Wind Exterior

We will not pay for loss or damage caused by or resulting from wind to paint or waterproofing material applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by wind in the course of the same wind event. But such coverage applies only if wind is a **"covered cause of loss"**.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Wind and Hail Deductible;
- b. The amount of Named Storm Deductible; or
- c. The value of Covered Property when applying the coinsurance percentage.

C. Paragraph 6. in the Loss Payment Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

6. If you have complied with all of the terms of this Commercial Property Coverage Part, we will pay for covered loss or damage upon the earliest of the following:
 - a. Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
 - b. Within 30 days after we receive the sworn proof of loss; and
 - 1) There is an entry of a final judgment; or
 - 2) There is a filing of an appraisal award with us; or
 - c. Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90 day time period for payment of claim relates to the portion of the claims that is not denied.

This paragraph c. applies only to the following:

- 1) A claim under the Commercial Property Coverage Part covering residential property;
- 2) A claim for "**real property**" or "**personal property**" coverage if the insured structure is 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida; or
- 3) A claim for "**personal property**" coverage under a tenant's policy if the rented "**premises**" or "**reported unscheduled premises**" are 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida.

D. The following are added to the COMMERCIAL PROPERTY DEFINITIONS with respect to coverage provided by this endorsement:

"Catastrophic ground cover collapse" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. "**Structural damage**" to the building, including the foundation; and
- d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

"Catastrophic ground cover collapse" does not mean:

- a. Damage consisting of the mere settling or cracking of a foundation, structure, or building;
- b. "**Sinkhole collapse**"; or
- c. "**Earth movement**".

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior

building structure or members becomes unfit for service or represent a safety hazard as defined within the Florida Building code;

- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the primary structural members or primary structural systems that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those primary structural members or primary structural systems exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings or similar structure, purpose, or "**premises**";
 - c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical primary structural members to such extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing primary structural members or primary structural systems, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
- E. The definition of "**earth movement**" in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following with respect to coverage provided by this endorsement:
- "**Earth movement**" means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than "**sinkhole collapse**" and "**catastrophic ground cover collapse**".
- "**Earth movement**" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.
- F. The following is added to the definition of "**specified causes of loss**":
- "**Catastrophic ground cover collapse**".

COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to the CANCELLATION Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least 5 days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started, and
 2. Have not been contracted for,
- within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: CPO 5912284-01

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC

Policy Period: Coverage begins 09-01-2013 at 12:01 A.M.; Coverage ends 09-01-2014 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Business Description:**Item 2. Limits of Insurance**GENERAL AGGREGATE LIMIT \$ 2,000,000PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT \$ 2,000,000EACH OCCURRENCE LIMIT \$ 1,000,000DAMAGE TO PREMISES
RENTED TO YOU LIMIT \$ 1,000,000 Any one premisesMEDICAL EXPENSE LIMIT \$ 10,000 Any one personPERSONAL AND ADVERTISING INJURY LIMIT \$ 1,000,000 Any one person or
organization**Item 3. Retroactive Date (CG 00 02 ONLY)**This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense
which occurs before the Retroactive Date, if any, shown here: NONE

(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations****Item 5. Schedule of Forms and Endorsements**

Form(s) and Endorsement(s) made a part of this Policy at time of issue:

See Schedule of Forms and Endorsements**Item 6. Premiums**Coverage Part Premium: \$ 75,235.00

Other Premium:

Total Premium: \$ 75,235.00

Premium And Reports Agreement – Composite Rated Policies



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:

Commercial General Liability Coverage Part

Products/Completed Operations Liability Coverage Part

Owners Contractors Protective Coverage Part

Railroad Protective Coverage Part

Schedule

1. Unit of Exposure:

<input type="checkbox"/> Gross sales	<input type="checkbox"/> Area	<input type="checkbox"/> Gallons
<input type="checkbox"/> Each	<input type="checkbox"/> Rooms	<input type="checkbox"/> General Liability Payroll
<input type="checkbox"/> Admissions	<input type="checkbox"/> Units	<input type="checkbox"/> Rounds played
<input type="checkbox"/> Total Cost	<input type="checkbox"/> Total Operating Expenditures	<input type="checkbox"/> Occupied rooms
<input type="checkbox"/> Licensed Autos	<input type="checkbox"/> Workers Compensation Payroll	<input checked="" type="checkbox"/> Other DOMESTIC SALES ONLY – FOREIGN SALES EXCLUDED

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
Computer Mfg.			
Premises / Operations	\$ 360,750,000	.143	\$ 51,587
OPERATIONS			
Products/Completed			
Operations		.056	\$ 20,202
TOTAL RATE /	PREMIUM	.199	\$ 71,789
EMPLOYEE	BENEFITS	LIABILITY	\$ 574
SUPPLEMENTAL	COVERAGE		\$ 2,872 F/C
TERRORISM	(REJECTED)		N/A

(Add more rows as required)

3. Deposit Premium:

\$ 71,789

4. Minimum Premium:

\$ 57,431

Condition 5, **Premium Audit**, of Section IV, **Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.
- b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.
- c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.
- d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.
- e. The units of exposure shown in the Schedule are defined as follows:
 1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
 2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
 3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
 4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
 5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
 6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less than 10 holes will be counted as a half round toward the total number of rounds of golf played.
 9. **Each** means the total number of exposure units as described in the exposure basis.
 10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
 11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
 12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
 13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
 14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
 15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement

EMPLOYEE BENEFIT LIABILITY COVERAGE PART - CLAIMS MADE DECLARATIONS

Policy Number: CPO 5912284-01

Named Insured: OMNICELL INC

Policy Period: Coverage begins 09-01-2013 at 12:01 A.M.; Coverage ends 09-01-2014 at 12:01 A.M

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Limits of Insurance\$ 1,000,000 Aggregate Limit\$ 1,000,000 Each Claim Limit**Item 2. Form of Business:**

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation
☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate		Advance Premium
<u>92100</u>	<u>1044</u>	\$ <u>INCL</u>	Per Employee	\$ <u>INCL</u>
		\$ <u>INCL</u>	Flat Charge	\$ <u>INCL</u>

Total Advance Premium For This Coverage Part: \$ INCLAudit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly**Forms And Endorsements Applicable To This Coverage Part:****SEE SCHEDULE OF FORMS AND ENDORSEMENTS****Retroactive Date:**9/01/2012 (Enter date or "None" if no Retroactive Date applies)

This insurance does not apply to damages caused by an act, error, or omission which occurred before the Retroactive Date, if any, shown above.



Deductible Endorsement Claims-Made

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:
Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: \$ 1,000

1. The deductible amount stated above shall be deducted from the amount of all "claims" arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per "claim" basis. The Aggregate Limit will not be reduced by the application of such deductible.
2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
 - a. Our rights and duties with respect to the defense of "suits"; and
 - b. The "insured's" duties in the event of an act, error, or omission or a "claim" or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section **III – Limits Of Insurance**; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a.** False arrest, detention or imprisonment;
- b.** Malicious prosecution;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f.** The use of another's advertising idea in your "advertisement"; or
- g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, re-conditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1)** Products that are still in your physical possession; or
- (2)** Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a)** When all of the work called for in your contract has been completed.
 - (b)** When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c)** When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2)** The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3)** Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY
CG 21 73 01 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROFESSIONAL LIABILITY EXCLUSION -
COMPUTER SOFTWARE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to **Section I - Coverage A - Bodily Injury And Property Damage Liability** and **Section I - Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

- B.** With respect to the rendering of or failure to render any service by you or on your behalf in connec-

tion with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, Exclusion **2.b. - Contractual Liability** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- b.** "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

COMMERCIAL GENERAL LIABILITY
CG 32 34 01 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.

General Liability Supplemental Coverage Endorsement Technology



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following changes apply to this Coverage Part. However, endorsements attached to this Coverage Part will supersede any provisions to the contrary in this General Liability Supplemental Coverage Endorsement.

A. Broadened Named Insured

1. The following is added to **Section II – Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- a. Is newly acquired or formed during the policy period;
- b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- c. Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the policy period.

2. The last paragraph of **Section II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph 3. of **Section II – Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section II – Who Is An Insured does not apply to this provision to the extent that such paragraph would conflict with this provision.

C. Insured Status – Employees

Paragraph 2.a.(1) of Section II – Who Is An Insured is replaced by the following:

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

However:

Paragraphs (1)(a) and (1)(d) do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" mean any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs (1)(a), (b) and (c) do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

D. Additional Insureds – Lessees of Premises

Section II – Who Is An Insured is amended to include as an insured any person or organization who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

This provision does not apply:

- (1) To liability arising out of such person's or organization's sole negligence; or
- (2) After the person or organization ceases to lease or rent premises from you.

E. Additional Insured – Vendors

The following change applies if this Coverage Part provides insurance to you for "bodily injury" and "property damage" included in the "products-completed operations hazard":

Section II – Who Is An Insured is amended to include as an insured any person or organization (referred to below as vendor) who you have agreed in a written contract or written agreement, prior to loss, to name as an additional insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional provisions:

1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in Subparagraphs **d.** or **f.**; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
3. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.

F. Additional Insured – Managers, Lessors or Governmental Entity

Section II – Who Is An Insured is amended to include as an insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omission of those acting on your behalf; and

resulting directly from:

- a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
- b. Ownership, maintenance, occupancy or use of premises by you; or
- c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

This provision does not apply:

- a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
- b. To any person or organization:
 - (1) For "bodily injury", "property damage" or "personal and advertising injury" arising out of its sole negligence;
 - (2) Included as an insured under Paragraph 3. of Section II – Who Is An Insured;
- c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
- d. To any:
 - (1) Owners or other interests from whom land has been leased by you; or
 - (2) Managers or lessors of premises, if:
 - (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or
 - (c) The premises are excluded under this Coverage Part.

G. Damage to Premises Rented or Occupied by You

- 1. The last paragraph under Paragraph 2., **Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions c. through n. do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage to Premises Rented To You Limit of Insurance applies to this coverage as described in Section III – Limits Of Insurance.

- 2. Paragraph 6. of **Section III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

H. Broadened Contractual Liability

Definition 9. in **Section V – Definitions** is replaced by the following:

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

I. Definition – Specific Perils

The following definition is added to **Section V – Definitions**:

"Specific perils" mean:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;

- g. Vandalism;
- h. Weight of snow, ice or sleet;
- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

J. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion **e.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

(1) Liability for damages that the insured would have in the absence of the contract or agreement; or

(2) Liability for "personal and advertising injury" if:

- (a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;
- (b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and
- (c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury" described in Paragraph (a) above, provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and
- (ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. Paragraph **2.d.** of **Section I – Supplementary Payments – Coverages A And B** is replaced by the following:

- d.** The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

3. The following is added to the paragraph directly following Paragraph **2.f.** of **Section I – Supplementary Payments – Coverages A And B**:

Notwithstanding the provisions of Paragraph **2.e.(2)** of Section **I – Coverage B – Personal And Advertising Injury Liability**, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

K. Internet and Multimedia Services

Exclusion **j.** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider; and

arising out of goods, products or services provided by any insured to others.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

L. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B**:

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

M. Broadened Property Damage

1. Property Damage to Contents of Premises Rented Short-Term

The paragraph directly following Paragraph **(6)** in Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III – Limits Of Insurance**.

2. Elevator Property Damage

- a.** The following is added to Exclusion **j.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

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Paragraphs (3) and (4) of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

- b. The following is added to **Section III – Limits Of Insurance**:

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

- a. The following is added to Exclusion j. of **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraph (4) of this exclusion does not apply to "property damage" to equipment you borrow from others at a jobsite.

- b. The following is added to **Section III – Limits Of Insurance**:

Subject to Paragraphs 2., 3. and 5. above, the most we will pay under Coverage A for damages because of "property damage" to equipment you borrow from others at a jobsite is \$25,000 per "occurrence".

N. Expected or Intended Injury or Damage

Exclusion a. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

a. Expected Or Intended Injury Or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

O. Definition – Bodily Injury

Definition 3. in **Section V – Definitions** is replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

P. Electronic Data

Exclusion p. of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

This exclusion does not apply to "bodily injury" or physical injury to tangible property including all resulting loss of use of that property.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Q. Insured Status –Amateur Athletic Participants

Section II – Who Is An Insured is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

- a. "Bodily injury" to:
 - (1) Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or
- b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:
 - (1) Your "employee", "volunteer worker" or any person you sponsor; or
 - (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

R. Non-Owned Aircraft and Watercraft

Exclusion **g.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

S. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

1. Definitions **10.** and **19.** in **Section V – Definitions** are replaced by the following:

- 10.** "Leased worker" means a person leased to you by a "labor leasing firm" under a written agreement between you and the "labor leasing firm", to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- 19.** "Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".

2. The following definition is added to **Section V – Definitions**:

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

- a. Employment agency, contractor or services;
- b. Professional employer organization; or
- c. Temporary help service.

T. Definition – Mobile Equipment

Paragraph **f.** of Definition **12.** in **Section V – Definitions** is replaced by the following:

- f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

U. Definitions – Your Product and Your Work

Definitions **21.** and **22.** in **Section V – Definitions** are replaced by the following:

21. "Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work, services or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

V. Priority Condition

The following paragraph is added to **Section III – Limits Of Insurance**:

In the event a claim is made or "suit" is brought against more than one insured seeking damages because of "bodily injury" or "property damage" caused by the same "occurrence" or "personal and advertising injury" caused by the same offense, we will apply the Limits of Insurance in the following order:

- (a)** You;
- (b)** Your "executive officers", partners, directors, stockholders, members, managers (if you are a limited liability company) or "employees"; and
- (c)** Any other insured in any order that we choose.

W. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2., Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:**

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

X. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of **Section IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. This insurance is primary insurance as respects our coverage to the additional insured person or organization where the written contract or written agreement requires that this insurance be primary and non-contributory. In that event, we will not seek contribution from any other insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured. Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i)** That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
- (ii)** That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
- (iii)** That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
- (iv)** If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**; or
- (v)** That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:

Equipment you borrow from others at a jobsite; or

Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured by attachment of an endorsement to another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

Y. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

Z. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part.

The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

AA. Liberalization Condition

The following condition is added to **Section IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise this Coverage Part to broaden coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in the state shown in the mailing address of your policy.


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General Liability Supplemental Coverage Endorsement Technology

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Employee Benefits Liability – Claims-Made Coverage Form

This Coverage Form provides *claims-made* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

- A.** We will pay those sums that the "insured" becomes legally obligated to pay as damages because of an act, error, or omission in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any "claim" and settle any "suit" that may result; but:

- (1) The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

- B. (1)** This insurance applies to an act, error or omission only if:
- a.** A "claim" arising out of the act, error or omission is first made against any "insured" during the policy period;
 - b.** The act, error, or omission takes place in the "coverage territory";
 - c.** The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a "claim" or "suit"; and
 - d.** The act, error, or omission did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period.

- (2) A "claim" will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first. "All "claims" for damages to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any "insured".

2. Exclusions

This insurance does not apply to:

- A.** "Bodily injury", "property damage", or "personal and advertising injury";
- B.** Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;
- C.** Any "claim" or "suit" arising out of discrimination or humiliation;
- D.** Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;
- E.** Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, disability benefits law, or similar laws;
- F.** Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;
- G.** Any "claim" or "suit" arising out of:
 - (1) Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";
 - (2) The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

- (3) Any investment activity, including the management, administration or disposition of assets of your "employee benefit programs"; or
- (4) Failure of any investment to perform as represented by any "insured".

H. Any "claim" or "suit" arising out of an "insured's" liability as a fiduciary under:

- a. The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or
- b. The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any "claim" we investigate or settle or "suit" we defend:

- A.** All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our insurance.
- B.** Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.
- C.** All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- D.** Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

- A.** The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - (1) "Insureds";
 - (2) "Claims" made or "suits" brought; or
 - (3) "Employees" or dependents or beneficiaries of "employees" making "claims" or bringing "suits".
- B.** The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

- C.** Subject to the Aggregate Limit provisions in **B.** above, the Each Claim Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".

- D.** The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

- (1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a "claim". To the extent possible, notice should include:

- a. How, when, and where the act, error, or omission took place;
- b. The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

Notice of an act, error, or omission is not notice of a "claim".

- (2) If a "claim" is received by any "insured", you must:

- a. Immediately record the specifics of the "claim" and the date received; and
- b. Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

- (3) You and any other involved "insured" must:

- a. Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "claim" or "suit";
- b. Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement, or defense of the "claim" or "suit"; and
- d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.

- (4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover under this Coverage Part, our obligations are limited as follows:

(1) Primary Insurance

This insurance is primary except when 2. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 3. below.

(2) Excess Insurance

This insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an act, error, or omission on other than a claims-made basis, if:

- a. No Retroactive Date is shown in the Declarations of this insurance; or
- b. The other insurance has a policy period which continues after the Retroactive Date, if any, shown in the Declarations of this insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- i. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- ii. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

(3) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- (1) As if each Named Insured were the only Named Insured; and
- (2) Separately to each "insured" against whom "claim" is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- (2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

- (1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";
- (2) Handling records in connection with "employee benefit programs"; or
- (3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Claim" means:

The receipt by you of a demand for money or services which alleges an act, error, or omission in the "administration" of your "employee benefit programs."

E. "Coverage territory" means:

- (1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or
- (2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **E. 1.** above, or in a settlement to which we agree.

F. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

G. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

H. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

I. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- (1) False arrest, detention, or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- (4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
- (5) Oral or written publication, in any manner, of material that violates a person's right of privacy;
- (6) The use of another's advertising idea in your "advertisement"; or
- (7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. "Property damage" means:

- (1) Physical injury to tangible property, including all resulting loss of use of that property.
- (2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

K. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.



ZURICH®

Additional Insured – Automatic – Owners, Lessees Or Contractors

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: OMNICELL, INC.

Address (including ZIP Code):

590 E MIDDLEFIELD RD
MOUNTAIN VIEW, CA. 94043-1337

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Section II – Who Is An Insured is amended to include as an insured any person or organization who you are required to add as an additional insured on this policy under a written contract or written agreement.

However, if you have entered into a construction contract or construction agreement with an additional insured person or organization, the insurance afforded to such additional insured only applies to the extent permitted by law.

B. The insurance provided to the additional insured person or organization applies only to "bodily injury", "property damage" or "personal and advertising injury" covered under Section I – **Coverage A – Bodily Injury And Property Damage Liability** and Section I – **Coverage B – Personal And Advertising Injury Liability**, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf, and resulting directly from your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

C. However, regardless of the provisions of Paragraphs **A.** and **B.** above:

1. We will not extend any insurance coverage to any additional insured person or organization:
 - a. That is not provided to you in this policy; or
 - b. That is any broader coverage than you are required to provide to the additional insured person or organization in the written contract or written agreement; and
2. We will not provide Limits of Insurance to any additional insured person or organization that exceed the lower of:
 - a. The Limits of Insurance provided to you in this policy; or
 - b. The Limits of Insurance you are required to provide in the written contract or written agreement.

D. The insurance provided to the additional insured person or organization does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional architectural, engineering or surveying services including:

1. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

E. The following is added to Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured, if the written contract or written agreement requires that this coverage be primary and non-contributory.

F. For the coverage provided by this endorsement:

1. The following paragraph is added to Paragraph 4.a. of the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

This insurance is primary insurance as respects our coverage to the additional insured person or organization, where the written contract or written agreement requires that this insurance be primary and non-contributory with respect to any other policy upon which the additional insured is a Named Insured. In that event, we will not seek contribution from any other such insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

G. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

All other terms and conditions of this policy remain unchanged.



ZURICH®

Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization –

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
CPO 5912284-00	09/01/2012	09/01/2013	05/08/2013	70074000	\$0	\$0

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: Omnicell, Inc.

Address (including ZIP Code):

590 E. Middlefield Road
Mountain View, CA 94043

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Covered Operations
California State University, Fresno; The California State University, Fresno Foundation, Inc.; The California State University, Fresno Association, Inc.; The California State University Athletic Corporation, Inc.; The Board of Trustees of the California State University; The State of California and their employees, agents, volunteers and assigns as additional insured for the duration and purpose of the event(s) being held.	Attn: Procurement and Support Services, 5150 North Maple Avenue, MS JA 111 Fresno, CA 93740-8026

- A.** Section II – **Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule above, whom you are required to add as an additional insured on this policy under a written contract or written agreement.

However, if you have entered into a construction contract or construction agreement with an additional insured person or organization shown in the Schedule of this endorsement, the insurance afforded to such additional insured only applies to the extent permitted by law.

- B.** The insurance provided to the additional insured person or organization applies only to "bodily injury", "property damage" or "personal and advertising injury" covered under Section I – **Coverage A – Bodily Injury And Property**

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2. The acts or omissions of those acting on your behalf, and resulting directly from your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement at the Location designated and described in the Schedule above.

C. However, regardless of the provisions of Paragraphs A. and B. above:

1. We will not extend any insurance coverage to any additional insured person or organization:
 - a. That is not provided to you in this policy; or
 - b. That is any broader coverage than you are required to provide to the additional insured person or organization in the written contract or written agreement; and
2. We will not provide Limits of Insurance to any additional insured person or organization that exceed the lower of:
 - a. The Limits of Insurance provided to you in this policy; or
 - b. The Limits of Insurance you are required to provide in the written contract or written agreement.

D. The insurance provided to the additional insured person or organization does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional architectural, engineering or surveying services including:

1. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

E. The following is added to Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured, if the written contract or written agreement requires that this coverage be primary and non-contributory.

F. For the coverage provided by this endorsement:

1. The following paragraph is added to Paragraph 4.a. of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

This insurance is primary insurance as respects our coverage to the additional insured person or organization, where the written contract or written agreement requires that this insurance be primary and non-contributory with respect to any other policy upon which the additional insured is a Named Insured. In that event, we will not seek contribution from any other such insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

All other terms and conditions of this policy remain unchanged.



ZURICH®

Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
CPO5912284-00	09-01-2012	09-01-2013	09-01-2012	70074-000	0	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: OMNICELL, INC.

Address (including ZIP Code):

590 E MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA. 94043-4008

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Covered Operations
COUNTY OF SANTA CLARA, AND MEMBERS OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA, AND THE OFFICERS, AGENTS AND EMPLOYEES OF THE COUNTY OF SANTA CLARA, INDIVIDUALLY AND COLLECTIVELY, AS ADDITIONAL INSUREDS.	"ALL LOCATIONS"

- A. Section II – Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule above, whom you are required to add as an additional insured on this policy under a written contract or written agreement.

However, if you have entered into a construction contract or construction agreement with an additional insured person or organization shown in the Schedule of this endorsement, the insurance afforded to such additional insured only applies to the extent permitted by law.

- B.** The insurance provided to the additional insured person or organization applies only to "bodily injury", "property damage" or "personal and advertising injury" covered under Section I – **Coverage A – Bodily Injury And Property Damage Liability** and Section I – **Coverage B – Personal And Advertising Injury Liability**, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf, and resulting directly from your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement at the Location designated and described in the Schedule above.

C. However, regardless of the provisions of Paragraphs A. and B. above:

1. We will not extend any insurance coverage to any additional insured person or organization:
 - a. That is not provided to you in this policy; or
 - b. That is any broader coverage than you are required to provide to the additional insured person or organization in the written contract or written agreement; and
2. We will not provide Limits of Insurance to any additional insured person or organization that exceed the lower of:
 - a. The Limits of Insurance provided to you in this policy; or
 - b. The Limits of Insurance you are required to provide in the written contract or written agreement.

D. The insurance provided to the additional insured person or organization does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional architectural, engineering or surveying services including:

1. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

E. The following is added to Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Commercial General Liability Conditions:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured, if the written contract or written agreement requires that this coverage be primary and non-contributory.

F. For the coverage provided by this endorsement:

1. The following paragraph is added to Paragraph 4.a. of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

This insurance is primary insurance as respects our coverage to the additional insured person or organization, where the written contract or written agreement requires that this insurance be primary and non-contributory with respect to any other policy upon which the additional insured is a Named Insured. In that event, we will not seek contribution from any other such insurance policy available to the additional insured on which the additional insured person or organization is a Named Insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – **Commercial General Liability Conditions:**

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

All other terms and conditions of this policy remain unchanged.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph 2. **Exclusions of Section I - Coverage A – Bodily Injury And Property Damage Liability and Coverage B - Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.



Notification to Others of Cancellation or Nonrenewal

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

Liquor Liability Coverage Part

Products/Completed Operations Liability Coverage Part

- A.** If we cancel or non-renew this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:
- To the name and address corresponding to each person or organization shown in the Schedule below; and
 - At least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
H.D. SMITH WHOLESALE DRUG CO.	30
INSURANCE COMPLIANCE DEPARTMENT	
P O BOX 12010-HS	
HEMET, CA. 92546-8010	

All other terms and conditions of this policy remain unchanged.



Collection or Distribution of Material or Information in Violation of Law Exclusion

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Collection Or Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Distribution Of Material In Violation Of Statutes** of Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Collection Or Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.


ZURICH

Exclusion of Certified Acts of Terrorism

Insureds Name OMNICELL, INC.	Policy Number CPO 5912284-01	Effective Date 09/01/2013	Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

COMMERCIAL PROPERTY PORTFOLIO COVERAGE PART

SCHEDULE*

The exception relating to certain fire losses applies to property located in the following state(s), if covered by this insurance:

State(s)
California, Georgia, Hawaii, Iowa, Illinois, Maine, Massachusetts, Missouri, New Jersey, New York, North Carolina, Oregon, Rhode Island, Virgin Islands, Washington, West Virginia and Wisconsin.

*Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

A. Exclusion of Certified Acts of Terrorism

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism", including action in hindering or defending against an actual or expected "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

B. Exception Relating to Fire Losses Applicable to Property Located in Certain States

If the "certified act of terrorism" results in fire, we will pay for the direct physical loss or damage to Covered Property caused by that fire. This exception does not apply to any other loss or damage including but not limited to business income, extra expense, any additional coverage and any coverage extension.

C. Definition

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and

4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

D. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

E. Cap on Losses From Certified Acts of Terrorism

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO

ZURICH AMERICAN INSURANCE COMPANY

1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER:

MARSH RISK & INSURANCE SERVICES

NAMED INSURED: OMNICELL INC

MAILING ADDRESS: 1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

POLICY PERIOD: From 09-01-2013 to 09-01-2014 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER: CPO 5912284-00**FORM OF BUSINESS:**☒

CORPORATION

☐

LIMITED LIABILITY COMPANY

☐

INDIVIDUAL

☐

PARTNERSHIP

☐

OTHER _____

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$ 74,508.95								
AUDIT PERIOD (IF APPLICABLE)	X	ANNUALLY		SEMI-ANNUALLY		QUARTERLY		MONTHLY

ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 – Broad Form Nuclear Exclusion (Not Applicable in New York)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED _____ BY _____
(Date) (Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE
AT THE COMPANY'S OPTION.



THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:	
Automobile	\$737.00

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ("TRIA")

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses..

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

ITEM TWO

SCHEDULE OF COVERAGES AND COVERED AUTOS

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos Section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM
LIABILITY	1	\$1,000,000	\$ 50,210
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE P.P.I. ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS	2	\$ 5,000	\$ 642
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS	2	SEE ENDT	\$ 1,954
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	2	SEE ENDT	INCL
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	2, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See ITEM FOUR For Hired or Borrowed Autos.	\$ 6,022
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See ITEM FOUR For Hired Or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	2, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE, FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$ 13,400
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO.	
TAX/SURCHARGE/FEE			\$ 88.95
PREMIUM FOR ENDORSEMENTS			\$ 2,192
*ESTIMATED TOTAL PREMIUM			\$ 74,508.95

*This policy may be subject to final audit.

ITEM THREE
SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA1	2006, DODGE SPRINTER 2500, WD0PD744465916868		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
CA2	2006, DODGE SPRINTER 2500, WD0PD744865930336		\$ 35,755 ACV		MOUNTAIN VIEW CA, 053		
AL3	2010, HONDA ELEMENT, 5J6YH130AL005824		\$ 21,475 ACV		HUEYTOWN AL, 101		
LA4	2011, TOYOTA SIENNA LE, 5TDKK3DC3BS153030		\$ 28,900 ACV		MANDEVILLE LA, 120		
IL5	2010, HONDA ELEMENT LX, 5J6YH2H36AL002111		\$ 21,775 ACV		HINCKLEY IL, 134		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA1	50	C	8,550	8	All Others	034990	
CA2	50	C	8,550	8	All Others	034990	
AL3				4		739800	
LA4				3		739800	
IL5				4		739800	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA1	\$ 1,000,000	\$ 2,017					
CA2	\$ 1,000,000	\$ 2,017					
AL3	\$ 1,000,000	\$ 1,776					
LA4	\$ 1,000,000	\$ 3,961					
IL5	\$ 1,000,000	\$ 1,158					
Total Premium							

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION		PURCHASED		TERRITORY		
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)		Original Cost New	Actual Cost & NEW (N) or USED (U)	Town & State Where The Covered Auto Will Be Principally Garaged		
CA6	2012, TOYOTA SIENNA LE, 5TDKK3DC3CS182044		\$ 29,700 ACV		LIVERMORE CA, 075		
KS7	2011, FORD ESCAPE XLS, 1FMCU0C78BKC59686		\$ 21,060 ACV		DERBY KS, 105		
FL8	2006, FORD F150, 1FTRF12266NA15219		\$ 23,325 ACV		SAINT PETERSBURG FL, 106		
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA6				2		739800	
KS7				3		739800	
FL8	50	C	10,000	8	All Others	034990	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA6	\$ 1,000,000	\$ 1,549					
KS7	\$ 1,000,000	\$ 939					
FL8	\$ 1,000,000	\$ 5,757					
Total Premium		\$ 19,174					

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person				Premium	
CA1	\$5,000	\$ 83						
CA2	\$5,000	\$ 83						
AL3	\$5,000	\$ 54						
LA4	\$5,000	\$ 114						
IL5	\$5,000	\$ 35						
Total Premium								
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA1	\$ 1,000	\$ 59			\$ 1,000	\$ 197		
CA2	\$ 1,000	\$ 59			\$ 1,000	\$ 197		
AL3	\$ 1,000	\$ 71			\$ 1,000	\$ 281		
LA4	\$ 1,000	\$ 104			\$ 1,000	\$ 296		
IL5	\$ 1,000	\$ 90			\$ 1,000	\$ 213		
Total Premium								

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Cont'd)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)					
	Limit	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person			Premium		
CA6	\$5,000	\$ 49						
KS7	\$5,000	\$ 32						
FL8	\$5,000	\$ 192						
Total Premium		\$ 642						
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)							
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR	
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement	Premium
CA6	\$ 1,000	\$ 71			\$ 1,000	\$ 420		
KS7	\$ 1,000	\$ 184			\$ 1,000	\$ 254		
FL8	\$ 1,000	\$ 55			\$ 1,000	\$ 105		
Total Premium		\$ 693				\$ 1,963		

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	\$ 1,200,000	\$ 26,580
Excess Coverage		
TOTAL PREMIUM		
<p>For "autos" used in your motor carrier operations, cost of hire means:</p> <p>(a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,</p> <p>(b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and</p> <p>(c) The total dollar amount of any other costs (<i>i.e.</i>, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.</p>		

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			
<p>For "autos" NOT used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>			

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		

For "autos" used in your motor carrier operations, cost of hire means:

- (a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
- (b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
- (c) The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)		
LIABILITY COVERAGE	ESTIMATED ANNUAL COST OF HIRE FOR ALL STATES	PREMIUM
Primary Coverage	IF ANY	INCL
Excess Coverage		
TOTAL PREMIUM		\$ 26,580
<p>For "autos" used in your motor carrier operations, cost of hire means:</p> <p>(a) The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,</p> <p>(b) The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and</p> <p>(c) The total dollar amount of any other costs (<i>i.e.</i>, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.</p>		

LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL PREMIUM			
<p>For "autos" NOT used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>			

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$1,200,000	\$ 5,304
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$1,200,000	\$ 11,412
TOTAL PREMIUM				
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 100 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	IF ANY	\$ 25
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	IF ANY	\$ 25
TOTAL PREMIUM				\$ 16,766
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					
Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment -- Physical Damage Coverages						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICH- EVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE AP- PLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.				
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICH- EVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MIS- CHIEF OR VANDALISM.				
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICH- EVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL PREMIUM						
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Liability – Primary Coverage					
Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	1,044	\$ 4,456
	Number Of Partners (Active and Inactive)		
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
Total Premium			\$ 4,456

ITEM SIX

SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concerns
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

- A. Amounts paid to air, sea or land carriers operating under their own permits.
- B. Advertising revenue.
- C. Taxes collected as a separate item and paid directly to the government.
- D. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

COMMERCIAL AUTO
CA 00 01 03 10**BUSINESS AUTO COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
 - b. "Loss" caused by hitting a bird or animal; and

- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
 - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit Of Insurance

1. The most we will pay for "loss" in any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- c. An integral part of such equipment.

3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.

- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this coverage form.

3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

5. Other Insurance

- a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:
 - (1) Excess while it is connected to a motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if:
 - (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

SECTION V – DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H. "Insured contract" means:
 - 1. A lease of premises;
 - 2. A sidetrack agreement;
 - 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - 5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
 - 6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J. "Loss" means direct and accidental loss or damage.
- K. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - 1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - 2. Vehicles maintained for use solely on or next to premises you own or rent;
 - 3. Vehicles that travel on crawler treads;
 - 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - 5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or

6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
- b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

M. "Property damage" means damage to or loss of use of tangible property.

N. "Suit" means a civil proceeding in which:

- 1. Damages because of "bodily injury" or "property damage"; or
- 2. A "covered pollution cost or expense"; to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.

O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

P. "Trailer" includes semitrailer.

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Liability Coverage

1. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Care, Custody Or Control** Exclusion is replaced by the following:

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- d. The following is added to the **War** Exclusion:

This Exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- e. The **Racing** Exclusion, if contained in the coverage form, does not apply.
- f. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

2. Our Limit Of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident".
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident", and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

B. Changes In Physical Damage

1. The "**Diminution In Value**" Exclusion does not apply.
2. The Limit of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

C. Changes In Conditions

1. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

We will not pay under this Coverage Form if you or any other "insured" in relation to an insurance application, rating, claim or coverage under this policy knowingly and with intent to defraud:

- a. Presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement which such person knows to contain materially false information concerning any material fact; or
- b. Conceals information concerning any material fact for the purpose of misleading.

2. The Appraisal For Physical Damage Loss

Condition in the Business Auto, Garage, Truckers and Motor Carrier Coverage Forms and the **Appraisal** Condition in the Business Auto Physical Damage Coverage Form is replaced by the following:

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However an appraisal will be made only if both you and we agree, voluntarily to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

An appraisal decision will be binding.

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The term "spouse" is replaced by the following:
Spouse or registered domestic partner under California law.
- B. The following are added to the **Other Insurance** Condition in the Business Auto and Garage Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier and Truckers Coverage Forms and supersede any provisions to the contrary:
 - 1. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b. The other provides coverage to a person not engaged in that business, and
 - c. At the time of an "accident", a person described in Paragraph 1.b. is operating an "auto" owned by the business described in Paragraph 1.a., then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph 1.a. is excess over any coverage available to that person.
 - 2. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos", and
 - b. The other provides coverage to a person not engaged in that business, and
 - c. At the time of an "accident" an "insured" under the Coverage Form described in Paragraph 2.a. is operating an "auto" owned by a person described in Paragraph 2.b., then the Coverage Form issued to the business described in Paragraph 2.a. is primary and the liability coverage issued to a person described in Paragraph 2.b. is excess over any coverage available to the business.
 - 3. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:
 - a. One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators, and
 - b. The other provides coverage to a person other than as described in Paragraph 3.a., and
 - c. At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph 3.a., and who is not the agent or "employee" of such Named Insured is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph 3.a., then the liability coverage provided by the Coverage Form or policy described in Paragraph 3.b. is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph 3.a. is excess over any coverage available to that person.

4. Notwithstanding Paragraph **B.3.**, when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:
- a. One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and
 - b. The other provides coverage to a Named Insured not engaged in that business; and
 - c. At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.**, then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".

C. As used in this endorsement:

"Commercial vehicle" means an "auto" subject to registration or identification under California law which is:

1. Used or maintained for the transportation of persons for hire, compensation or profit;
2. Designed, used or maintained primarily for the transportation of property; or
3. Leased for a period of six months or more.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** Paragraph **A.2.b.** of the Common Policy Conditions, **Cancellation**, is changed to read as follows:
- b.** 45 days before the effective date of cancellation if we cancel for any other reason.
- B.** Paragraph **A.4.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
- 4.** Notice of cancellation will state the effective date of, and reason(s) for, the cancellation. The policy period will end on that date.
- C.** Paragraph **A.5.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
- 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.
- D.** The following is added to Paragraph **A.** of the Common Policy Conditions, **Cancellation**:
- 7.** If this policy provides Personal Injury Protection, Property Damage Liability Coverage or both and:
 - a.** It is a new or renewal policy, it may not be cancelled by the first Named Insured during the first 60 days immediately following the effective date of the policy or renewal, except for one of the following reasons:
 - (1)** The covered "auto" is completely destroyed such that it is no longer operable;
 - (2)** Ownership of the covered "auto" is transferred; or
 - (3)** The Named Insured has purchased another policy covering the motor vehicle insured under this policy.
 - b.** It is a new policy, we may not cancel it during the first 60 days immediately following the effective date of the policy for nonpayment of premium unless a check used to pay us is dishonored for any reason or any other type of premium payment is subsequently determined to be rejected or invalid.

E. The following condition is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you notice at least 45 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
2. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
3. Notice of nonrenewal will state the reason(s) for the nonrenewal and the effective date of nonrenewal. The policy period will end on that date.

COMMERCIAL AUTO
CA 04 24 04 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

COMMERCIAL AUTO
CA 04 48 12 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS COMMERCIAL AUTO COVERAGE CHANGES

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes in Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. For coverage and limits required by the Kansas Financial Responsibility law, the **Fellow Employee** Exclusion is replaced by the following:

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

3. If the following endorsements are attached, they do not apply and are replaced in their entirety by the provisions of paragraph **D.** of this endorsement.
 - a. Lessor — Additional Insured And Loss Payee endorsement **CA 20 01**; or
 - b. Hired Autos Specified As Covered Autos You Own endorsement **CA 99 16**.

B. Changes in Definitions

The following is added to **SECTION V - DEFINITIONS**:

All reference to the term "total loss" shall mean a motor vehicle required to be registered in this state that has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

- C. If Repossessed Autos endorsement CA 20 19 is attached, Paragraph **D.3. Nonreporting Premium Basis** does not apply.

D. Kansas Additional Named Insured Provisions

SCHEDULE	
Name of Owner	Described Owned Motor Vehicle
1.	1.
2.	2.
3.	3.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A.** Any vehicle described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire, borrow or lease under the coverage for which it is a covered "auto".
- B.** LIABILITY COVERAGE and Personal Injury Protection as prescribed in the Kansas Automobile Injury Reparations Act will apply to each owner named in the Schedule as an additional named insured but only while the motor vehicle described in the Schedule is being used by you or on your behalf.
- C.** The insurance will apply to the owner only while the described vehicle is leased to you.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 20 48 02 99**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By: (Authorized Representative)
Named Insured:	

SCHEDULE**Name of Person(s) or Organization(s):**COUNTY OF SANTA CLARA AND MEMBERS OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA CLARA, AND THE OFFICERS, AGENTS AND EMPLOYEES OF THE
COUNTY OF SANTA CLARA, INDIVIDUALLY AND COLLECTIVELY ARE ADDITIONAL
INSURED WHERE REQUIRED BY WRITTEN CONTRACT. THIS INSURANCE IS PRIMARY
AND NONCONTRIBUTORY.C/O EBIX BPO
P.O. BOX 257 REF #84-1015818
PORTLAND, MI 48875-0257

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 20 48 02 99**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By: (Authorized Representative)
Named Insured:	

SCHEDULE**Name of Person(s) or Organization(s):**

COLLIERS INTERNATIONAL ASSET & PROPERTY MANAGEMENT, LLC

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA (OWNER); PR AMHURST LAKE LLC (OWNER); COLLIERS INTERNATIONAL ASSET AND PROPERTY MANAGEMENT LLC (MANAGER); AMHURST LAKE BUSINESS PARK OWNER'S ASSOCIATION, INC. (ASSOCIATION) AND ALL PARENT SUBSIDIARIES, AFFILIATES, AGENTS, AND EMPLOYEES ARE NAMED AS ADDITIONAL INSURED AS PER WRITTEN CONTRACT.

1588B SOUTH LAKESIDE DR
WAUKEGAN, IL 60085

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in **Section II** of the Coverage Form.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 30 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

- 1. Any claim settled without our consent.
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

- 4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 5. Punitive or exemplary damages.
- 6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Insurance shown in the Schedule or Declarations.

We will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$20,000 for "bodily injury" to any one person caused by any one "accident"; and
- b. \$40,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form, Medical Payments Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Insurance Coverage as follows:

1. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Legal Action Against Us is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.

- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph **3.b.** does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. Transfer Of Rights Of Recovery Against Others To Us does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:
 - (1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.

- (2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$50,000 for "bodily injury" to any one person/\$100,000 for "bodily injury" to two or more persons caused by any one "accident"; or

- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged; or
 - b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 37 01 05**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Kansas, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective:	Countersigned By: (Authorized Representative)
Named Insured:	

SCHEDULE

LIMIT OF INSURANCE	
\$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if
 - a. The limit of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled or judgment reached without our consent if the settlement or judgment prejudices our right to recover payment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

4. "Bodily injury" sustained by an "insured" while "occupying" or when struck by any motor vehicle that is owned by or provided for the regular use of that "insured" for which the security required by Kansas law is not in effect.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident", is the limit of Uninsured Motorists Insurance shown in the Schedule or Declarations. We will apply the limit shown in the Schedule or Declarations to first provide the separate limits required by Kansas law as follows:

a. \$25,000 for "bodily injury" to any one person caused by any one "accident", and

b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. The limit for damages resulting from "bodily injury" caused by a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" applies separately from the limit for a vehicle described in Paragraphs **a.**, **c.** and **d.** of that definition.

3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage and any Liability Coverage Form, Medical Payments Coverage Endorsement, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if the person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law or personal injury protection coverage.

4. Any amount paid under this insurance will reduce any amount an "insured" may be paid under the Coverage Form's Liability Coverage.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance** Provisions in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:

a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.

b. If there is other applicable insurance available under one or more policies or provisions of coverage, the maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved, and

- b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also:

- (1) Notify us in writing, by certified mail, of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
- (2) Allow us 60 days after receipt of the written notice to advance payment to that "insured", in an amount equal to the tentative settlement, to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

Such written notice shall include written documentation of all damages incurred, copies of all medical bills and written authorization or a court order to obtain reports from all employers and medical providers.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

- a. If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
- b. We do not have a right of recovery with respect to damages resulting from an "accident" with a vehicle described in Paragraphs **a., c. and d.** of the definition of "uninsured motor vehicle" to which a liability bond or policy applies at the time of the "accident", but the bonding or insuring company is or becomes insolvent.
- c. Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:
 - (1) Have been given written notice by certified mail of a tentative agreement between the "insured" and the insuring company of the owner or operator of the underinsured motor vehicle to settle for liability limits; and

- (2) Fail to advance payments to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 60 days after receipt of notification:

- (1) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
- (2) We also have a right to recover the advance payment.

4. The Two Or More Coverage Forms Or Policies Issued By Us General Condition does not apply.

5. The Concealment, Misrepresentation Or Fraud General Condition does not apply.

6. The following condition is added:

ARBITRATION

- a. If, after a claim has been made, a dispute arises because we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the parties may agree to arbitration. **One party cannot force the other party into arbitration.** However, disputes concerning coverage under this endorsement may not be arbitrated. If the parties agree to arbitration, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. Any decision agreed to by the arbitrators will not be binding.
- c. Once arbitration is agreed to by both parties, either party has the right to bring arbitration under K.S.A. Sections 5-201 – 5-213 inclusive, in lieu of the arbitration procedure provided in this condition.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by Kansas law, or
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by Kansas law, but their limits are less than the limit of this insurance, or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent, or
 - d. For which neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying", provided the facts of the "accident" can be corroborated by competent evidence other than the testimony of any person having a claim under this or any other similar insurance as the result of such "accident".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned by a governmental unit or agency.
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 48 11 08**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOUISIANA UNINSURED MOTORISTS
COVERAGE – BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Louisiana, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided under this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy or as of the date indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered "auto" is principally garaged, we will pay only after all liability bonds or policies have been exhausted by payments of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

d. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

a. Anyone "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

c. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.

C. Exclusions

This insurance does not apply to:

1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by an "insured" while "occupying" or struck by any vehicle owned by that "insured" that is not a covered "auto".
3. Punitive or exemplary damages.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms is replaced by the following:

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of insurance bears to the total of all applicable limits. However, with respect to "bodily injury" sustained by an "insured":

- a. While "occupying" a vehicle owned by that person or while not "occupying" any vehicle, the maximum recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy.
- b. While "occupying" a vehicle not owned by that person, the following priorities of recovery will apply:
 - (1) The uninsured motorists coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident" will be primary.
 - (2) If the primary insurance is exhausted, any excess recovery for damages sustained by an "insured" as a Named Insured or family member may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy. In no instance will more than one uninsured motorists coverage limit be available as excess insurance.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and

- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Transfer Of Rights Of Recovery Against Others To Us does not apply to vehicles described in Paragraph **b.** of the definition of "uninsured motor vehicle".

- 4. The following condition is added:

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, arbitration will take place only if we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the parish in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. Any decision of the arbitrators will not be binding on either party.

F. Additional Definitions

As used in this endorsement:

- 1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

- 2. "Occupying" means in, upon, getting in, on, out or off.

- 3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bonds or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;

- b. Which is an underinsured motor vehicle. An underinsured motor vehicle means a land motor vehicle or "trailer" to which a liability bond or policy affording coverage for "bodily injury" applies at the time of the accident but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages;

- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or

- d. Which is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:

- (1) Hit an "insured", a covered "auto" or a vehicle the "insured" is "occupying"; or

- (2) Cause "bodily injury" to an "insured" without any actual physical contact with the "insured", a covered "auto" or a vehicle the "insured" is "occupying". However, in such cases, the "insured" must show, by an independent and disinterested witness, that the "bodily injury" resulted from the actions of an unidentified motorist.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency; or

- b. Designed for use mainly off public roads while not on public roads.

COMMERCIAL AUTO
CA 21 53 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS UNINSURED MOTORISTS COVERAGE – PROPERTY DAMAGE

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "property damage" caused by an "accident" arising out of actual physical contact with your covered "auto". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of an "uninsured motor vehicle".
2. Any judgment for damages arising out of a suit brought without our written consent is not binding on us.

B. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
3. The first \$250 of the amount of "property damage" to a covered "auto" as a result of any one "accident".
4. Any motor vehicle owned by you for which you have purchased collision coverage under this policy or any other policy.
5. If the owner or operator of the "uninsured motor vehicle" cannot be identified.

6. "Property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Limit Of Insurance

1. Regardless of the number of covered "autos", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" will be the lesser of \$15,000 or the actual cash value of your damaged "auto" at the time of the "accident".
2. Any amount payable under this coverage shall be reduced by all sums paid by or for anyone who is legally responsible.

D. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage – Property Damage (Illinois) as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible "property damage" uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:

- a. Promptly send us copies of the legal papers if a suit is brought.
- b. Provide us with the name and address of the owner of the "uninsured motor vehicle" or a registration number and description of such vehicle, or any other available information to establish that there is no applicable motor vehicle property damage liability coverage.

3. **Legal Action Against Us** is replaced by the following:

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident". However, this Paragraph 3.b. does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

4. **Transfer Of Rights Of Recovery Against Others To Us** does not apply.

5. The following Conditions are added:

REIMBURSEMENT AND TRUST

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

ARBITRATION

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages under this endorsement or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. The insured may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If such arbitrators are not selected within 45 days, either party may request that the arbitration be submitted to the American Arbitration Association. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

E. Additional Definitions

As used in this endorsement:

1. "Property damage" means injury to or destruction of a covered "auto". However, "property damage" does not include loss of use or damage to personal property contained in your covered "auto". This definition replaces the definition in the policy.

2. "Uninsured motor vehicle" means a land motor vehicle or trailer:
- a. For which no liability bond or policy providing coverage for "property damage" applies at the time of the "accident"; or
 - b. For which no liability bond or policy at the time of an "accident" provides at least the amount required for "property damage" liability covered by the Illinois Financial Responsibility Law; or
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency;
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 54 09 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA UNINSURED MOTORISTS COVERAGE –
BODILY INJURY**

For a covered "auto" licensed or principally garaged in or "garage operations" conducted in California, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":

- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
- b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy.

However, Exclusion **4.** shall not apply to "bodily injury" sustained by an individual Named Insured or "family member" when struck by a vehicle owned by that "insured" and operated or caused to be operated by a person without that "insured's" consent in connection with criminal activity that has been documented in a police report and to which that "insured" is not a party to.

5. "Bodily injury" sustained by an individual Named Insured or any "family member" while "occupying" any vehicle leased by that Named Insured or any "family member" under a written contract for a period of six months or more that is not a covered "auto".

6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.

7. "Bodily injury" sustained by an "insured" while "occupying" any "auto" that is rented or leased to that "insured" for use as a public or livery conveyance. However, this exclusion does not apply if the "insured" is in the business of providing public or livery conveyance.

8. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.
2. For a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", our Limit of Insurance shall be reduced by all sums paid because of "bodily injury" by or for anyone who is legally responsible, including all sums paid or payable under this policy's Liability Coverage.
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for California Uninsured Motorists Coverage – Bodily Injury as follows:

1. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Send us copies of the legal papers if a "suit" is brought. In addition, a person seeking coverage under Paragraph **b.** of the definition of "uninsured motor vehicle" must:
 - (1) Provide us with a copy of the complaint by personal service or certified mail if the "insured" brings an action against the owner or operator of such "uninsured motor vehicle";
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by us or furnish us copies at our expense; and
 - (3) Provide us with proof that the limits of insurance under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Legal Action Against Us is replaced by the following:

No legal action may be brought against us under this coverage form until there has been full compliance with all the terms of this coverage form and with respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle" unless within two years from the date of the "accident":

- a. Agreement as to the amount due under this insurance has been concluded;
- b. The "insured" has formally instituted arbitration proceedings against us. In the event that the "insured" decides to arbitrate, the "insured" must formally begin arbitration proceedings by notifying us in writing, sent by certified mail, return receipt requested; or
- c. "Suit" for "bodily injury" has been filed against the uninsured motorist in a court of competent jurisdiction.

Written notice of the "suit" must be given to us within a reasonable time after the "insured" knew, or should have known, that the other motorist is uninsured. In no event will such notice be required before two years from the date of the accident. Failure of the "insured" or his or her representative to give us such notice of the "suit" will relieve us of our obligations under this coverage form only if the failure to give notice prejudices our rights.

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

- a. With respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle", if we make any payment, we are entitled to recover what we paid from other parties. Any person to or for whom we make payment must transfer to us his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
- b. With respect to Paragraph **b.** of the definition of "uninsured motor vehicle", if we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this coverage form is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

5. The following Condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", the disagreement will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. However, disputes concerning coverage under this endorsement may not be arbitrated. Each party will bear the expenses of the arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. The decision of the arbitrator will be binding.

F. Additional Definitions

The following are added to the **Definitions** section:

1. "Family member" means the individual Named Insured's spouse, whether or not a resident of the individual Named Insured's household, and any other person related to such Named Insured by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or trailer:
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the Limit of Insurance for this coverage;
 - c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
 - d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - e. That is owned by an individual Named Insured or "family member" and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by the United States of America, Canada, a state or political subdivision of any of those governments or an agency of any of the foregoing; or
- c. Designed or modified for use primarily off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 59 03 06**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ALABAMA UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in Alabama, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:
Countersignature Of Authorized Representative
Name:
Title:
Signature:
Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000	Each "Accident"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. No judgment for damages arising out of a "suit" brought against the owner or operator of an "uninsured motor vehicle" is binding on us unless we:
 - a. Received reasonable notice of the pendency of the "suit" resulting in the judgment; and
 - b. Had a reasonable opportunity to protect our interest in the "suit".

However, if reasonable notice has not been given to us, we have the option to accept the judgment in the suit as binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

1. Any claim settled without our consent.
However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the accident, the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Insurance shown in the declarations. If there is more than one covered "auto", our limit of insurance for any one "accident" is the sum of the limits applicable to each covered "auto", subject to a maximum of three covered "autos".
2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form or Medical Payments Coverage Endorsement attached to this Coverage Part.

We will not make a duplicate payment under this Coverage Form for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

3. We will reduce the "insured's" total damages by any amount available to that "insured", under any bodily injury liability bonds or policies applicable to the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", that such "insured" did not recover as a result of a settlement between that "insured" and the insurer of such vehicle. However, any reduction of the "insured's" total damages will not reduce the limit of liability for this coverage.

This Paragraph (**D.3.**) shall not apply if we advance payment to the "insured" in an amount equal to the tentative settlement with the insurer of the vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".

E. Changes In Conditions

The conditions are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are changed by addition of the following:
 - a. The reference to "other collectible insurance" applies only to other collectible uninsured motorists insurance.
 - b. Any insurance we provide with respect to a vehicle owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form, shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved, and
 - b. Promptly send us copies of the legal papers if a "suit" is brought.
- c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and allow us 30 days to advance payment to that insured in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. **Transfer Of Rights Of Recovery Against Others To Us** is changed by adding the following:

Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:

 - a. Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and
 - b. Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

 - a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Uninsured Motorists Coverage; and
 - b. We have a right to recover the advanced payment.

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.
4. **The Two Or More Coverage Forms Or Policies Issued By Us** General Condition does not apply to an individual Named Insured or any "family member".

**5. THE FOLLOWING CONDITION IS ADDED:
ARBITRATION**

A. IF WE AND AN "INSURED" DISAGREE WHETHER THE "INSURED" IS LEGALLY ENTITLED TO RECOVER DAMAGES FROM THE OWNER OR DRIVER OF AN "UNINSURED MOTOR VEHICLE" OR DO NOT AGREE AS TO THE AMOUNT OF DAMAGES THAT ARE RECOVERABLE BY THAT "INSURED", THEN THE MATTER MAY BE ARBITRATED. HOWEVER, DISPUTES CONCERNING COVERAGE UNDER THIS ENDORSEMENT MAY NOT BE ARBITRATED. BOTH PARTIES MUST AGREE TO ARBITRATION. IF SO AGREED, EACH PARTY WILL SELECT AN ARBITRATOR. THE TWO ARBITRATORS WILL SELECT A THIRD. IF THEY CANNOT AGREE WITHIN 30 DAYS, EITHER MAY REQUEST THAT SELECTION BE MADE BY A JUDGE OF A COURT HAVING JURISDICTION. THE ARBITRATION PROCEEDINGS SHALL COMMENCE WITHIN ONE YEAR AFTER THE DATE BOTH PARTIES AGREE TO SETTLE A DISPUTE BY ARBITRATION. ARBITRATION EXPENSES WILL BE DETERMINED BY THE ARBITRATOR ACCORDING TO ALABAMA LAW.

UNLESS BOTH PARTIES AGREE OTHERWISE, ARBITRATION WILL TAKE PLACE IN THE COUNTY IN WHICH THE "INSURED" LIVES. LOCAL RULES OF LAW AS TO ARBITRATION PROCEDURE AND EVIDENCE WILL APPLY. A DECISION AGREED TO BY TWO OF THE ARBITRATORS WILL BE BINDING.

B. THIS ARBITRATION PROVISION WILL NOT APPLY IF LEGAL ACTION HAS BEEN COMMENCED BY THE "INSURED" AGAINST THE OWNER OR OPERATOR OF AN "UNINSURED MOTOR VEHICLE".

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
 - b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides a limit that is less than the amount an "insured" is legally entitled to recover as damages caused by the "accident";
 - c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
 - d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without hitting an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-01

COMMERCIAL AUTO
CA 21 72 10 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FLORIDA UNINSURED MOTORISTS
COVERAGE – NONSTACKED**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Florida, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if Paragraph **a.** or **b.** below applies:
 - a. The limit of any applicable liability bonds or policies has been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of the "underinsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

- 1. Any claim settled or judgment reached without our consent, unless our right to recover payment has not been prejudiced by such settlement or judgment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph b. of the definition of an "uninsured motor vehicle".
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by a vehicle owned by that individual Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy; or

- d. Any "insured" with respect to damages for pain, suffering, mental anguish or inconvenience unless the "bodily injury" consists in whole or in part of:

- (1) Significant and permanent loss of an important bodily function;
- (2) Permanent injury within a reasonable degree of medical probability, other than scarring or disfigurement;
- (3) Significant and permanent scarring or disfigurement; or
- (4) Death.

- 5. Punitive or exemplary damages.

- 6. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.
- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Liability Coverage form, No-fault Coverage endorsement, Medical Payments Coverage endorsement, or Uninsured Motorists Coverage endorsement attached to this Coverage Part.
- 3. We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.
- 4. We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage Nonstacked as follows:

1. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

- a. If there is other applicable insurance available under one or more coverage forms, policies or provisions of coverage, any recovery for damages sustained by an individual Named Insured or any “family member”:
- (1) While “occupying” a vehicle owned by that Named Insured or any “family member” may equal, but not exceed, the limit of insurance for Uninsured Motorists Coverage applicable to that vehicle.
- (2) While “occupying” a vehicle not owned by that Named Insured or any “family member” may equal, but not exceed, the sum of:
 - (a) The limit of insurance for Uninsured Motorists Coverage applicable to the vehicle such Named Insured or any “family member” was “occupying” at the time of the “accident”; and
 - (b) The highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to such Named Insured or any “family member”.
- (3) While not “occupying” any vehicle may equal, but not exceed, the highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to an individual Named Insured or any “family member”.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this coverage form is provided:
 - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

- (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a “suit” is brought.
- c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing by certified or registered mail of a tentative settlement between the “insured” and the insurer of the vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle” and allow us 30 days to advance payment to that “insured” in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

If we make any payment and the “insured” recovers from another party, the “insured” shall hold the proceeds in trust for us and pay us back the amount we have paid.

Our rights do not apply under this provision with respect to Uninsured Motorists Coverage if we:

- a. Have been given prompt written notice of a tentative settlement between an “insured” and the insurer of a vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”; and
- b. Fail to advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification:

- a. That payment will be separate from any amount the “insured” is entitled to recover under the provisions of Uninsured Motorists Coverage; and
- b. We also have a right to recover the advanced payment.

4. The following condition is added:

a. Arbitration

- (1) If we and an "insured" do not agree:
 - (a) Whether that person is legally entitled to recover damages under this endorsement; or
 - (b) As to the amount of damages that are recoverable by that person;

Then the matter may be mediated, in accordance with the Mediation Provision contained in General Conditions, if the damages resulting from "bodily injury" are for \$10,000 or less, or arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
- (2) Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- (3) Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

b. Florida Arbitration Act

If we and an "insured" agree to arbitration, the **Florida Arbitration Act** will not apply.

c. Mediation

- (1) In any claim filed by an "insured" with us for:
 - (a) "Bodily injury" in an amount of \$10,000 or less, arising out of the ownership, operation, use or maintenance of a covered "auto";
 - (b) "Property damage" in any amount, arising out of the ownership, operation, maintenance or use of a covered "auto"; or
 - (c) "Loss" to a covered "auto" or its equipment, in any amount;

either party may make a written demand for mediation of the claim prior to the institution of litigation.

- (2) A written request for mediation must be filed with the Florida Department of Financial Services on an approved form, which may be obtained from the Florida Department of Financial Services.
- (3) The request must state:
 - (a) Why mediation is being requested.
 - (b) The issues in dispute, which are to be mediated.
- (4) The Florida Department of Financial Services will randomly select mediators. Each party may reject one mediator, either before or after the opposing side has rejected a mediator. The mediator will notify the parties of the date, time and place of the mediation conference. The mediation conference will be held within 45 days of the request for mediation. The conference will be held by telephone, if feasible. Participants in the mediation conference must have the authority to make a binding decision, and must mediate in good faith. Each party will bear the expenses of the mediation equally, unless the mediator determines that one party has not mediated in good faith.
- (5) Only one mediation may be requested for each claim unless all parties agree to further mediation. A party demanding mediation shall not be entitled to demand or request mediation after a suit is filed relating to the same facts already mediated.
- (6) The mediation shall be conducted as an informal process and formal rules of evidence and procedures need not be observed.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy applies at the time of an "accident";

- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which a "bodily injury" liability bond or policy applies at the time of an "accident" but the amount paid under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages caused by the "accident";
- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d. For which neither the driver nor owner can be identified. The land motor vehicle or "trailer" must:
 - (1) Hit an individual Named Insured or any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying"; or
 - (2) Cause an "accident" resulting in "bodily injury" to an individual Named Insured or any "family member" without hitting that Named Insured, any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying".

If there is no physical contact with the land motor vehicle or "trailer", the facts of the "accident" must be proved. We will only accept competent evidence other than the testimony of a person making claims under this or any similar coverage.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency;
- b. Designed for use mainly off public roads while not on public roads; or
- c. Owned by or furnished or available for the regular use of the Named Insured, or if the Named Insured is an individual, any "family member" unless it is a covered "auto" to which the coverage form's Liability Coverage applies and liability coverage is excluded for any person or organization other than the Named Insured, or if the Named Insured is an individual, any "family member".

COMMERCIAL AUTO
CA 99 03 03 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



Who Is An Insured Amendment – Broad Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Garage Coverage Form
Motor Carrier Coverage Form
Truckers Coverage Form

1. The following is added to the **Who Is An Insured** provision of **Section II, Liability Coverage**:

A. Broadened Named Insured

1. Any organization of yours that has been acquired or formed prior to this policy period (other than a partnership, limited liability company or joint venture) but is not shown in the Declarations as of the effective date of this Coverage Form, will nevertheless qualify as a Named Insured if:
 - a. You maintain an ownership interest of more than 50% of such organization; and
 - b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above, no such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - a. Was newly acquired or formed by you in the preceding policy period in which we provided coverage, but was not reported to us before the end of that preceding policy period;
 - b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - c. Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance.

B. Newly Acquired or Formed Organizations as Named Insureds

1. **Newly Acquired Or Formed Organizations Other Than Partnerships, Joint Ventures or Limited Liability Companies**

Any organization you newly acquire or form during this policy period (other than a partnership, limited liability company or joint venture) will qualify as a Named Insured if:

- a. You have an ownership interest of more than 50% in such organization; and
- b. Such organization has been incorporated or organized under the laws of the United States of America (including any state thereof), its territories or possessions.

Each newly acquired or formed organization shall remain qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the current policy period.

2. However, regardless of the provisions of Paragraph 1. above:

- a. No such organization will qualify as a Named Insured under this Coverage Form if the organization:
 - (1) Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Form; or
 - (2) Would be an insured under another policy, regardless of coverage termination or the exhaustion of its limits of insurance; and
- b. Coverage will be afforded to any such organization qualifying as a Named Insured only until the end of this policy period if the organization is not reported to us during this policy period.

3. Newly Formed Partnerships, Limited Liability Companies, or Joint Ventures

Any partnership, limited liability company or joint venture you newly form during this policy period, where:

- a. You maintain an ownership interest;
- b. As respects any joint venture, you have agreed in the Joint Venture Agreement to name the joint venture as a Named insured to your policy; and
- c. Such partnership, limited liability company or joint venture has been organized under the laws of the United States of America (including any state thereof), its territories or possessions,

will qualify as a Named Insured, provided no other similar insurance was purchased for the partnership, limited liability company or joint venture. However, coverage under this provision is afforded only until the 90th day after you form the partnership, limited liability company or joint venture, or the end of the policy period, whichever is earlier, if the organization is not reported to us during this policy period.

- 4.** With regard to Paragraphs 1. and 3. above, the following additional provision applies:

No coverage shall apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you acquired or formed the organization.

All other terms and conditions of this policy remain unchanged.



Coverage Extension Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

- The following is added to the **Who Is An Insured** Provision in **Section II – Liability Coverage**:

The following are also "insureds":

- Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you.
- Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.
- Anyone else who furnishes an "auto" referenced in Paragraphs **a.** and **b.** above.
- Any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" provided the "accident" arises out of operations contemplated by such contract or agreement.

- The following is added to the **Other Insurance** Provision in the **Conditions** Section:

Coverage for any person(s) or organization(s) where required by written contract or written agreement executed prior to any "accident" will apply on a primary basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the coverage form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Liability Coverage** are replaced by the following:

- Up to \$5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section II – Liability Coverage** does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

- The following is added to the **Racing** Exclusion in **Section II – Liability Coverage**:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

- a. Any amount paid under the **Physical Damage Coverage** Section of the coverage form; and
- b. Any:
 - (1) Overdue lease or loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

The following is added to Paragraph **A.2.** of the **Physical Damage Coverage** Section:

We will pay up to \$75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible will be \$100 or the deductible shown in the Declarations, whichever is less. If glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Loss Of Use Expenses** Provision of the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

- a. We will pay up to \$750 for "loss" to personal effects which are:
 - (1) Personal property owned by an "insured"; and

- (2) In or on a covered "auto".
- b. Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
- (1) The reasonable cost to replace; or
 - (2) The actual cash value.
- c. The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
- (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
 - (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
 - (3) Paintings, statuary and other works of art.
 - (4) Contraband or property in the course of illegal transportation or trade.
 - (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply.
2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

- (a) Are the property of an "insured"; and
- (b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is \$500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form do not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or coverage form and by another policy or coverage form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or coverage form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or coverage form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is \$5,000.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

Temporary Substitute Autos – Physical Damage

If Physical Damage Coverage is provided by this coverage form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

1. Breakdown;
 2. Repair;
 3. Servicing;
 4. "Loss"; or
 5. Destruction.
2. The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Temporary Substitute Autos – Physical Damage

We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- a.** In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

- (1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this coverage form if you unintentionally:

- (1) Fail to disclose any hazards existing at the inception date of this coverage form; or
- (2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph (5)(a) of the **Policy Period, Coverage Territory** Condition is replaced by the following:

- (a) A covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less; and

T. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

All other terms and conditions of this policy remain unchanged.

Named Driver Exclusion Endorsement

Exclusion of Coverage For Any Insured When Auto Is Driven or Operated By Excluded Driver



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

Named Insured / Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
COMMERCIAL INLAND MARINE CARGO BROAD FORM COVERAGE FORM
INSURANCE FOR NON-TRUCKING USE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

We will not be liable for any "accidents" or "losses" including, but not limited to, defense or indemnity for "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto" described in the policy, or any other auto(s) to which the terms of the policy are extended, while the "auto" is being driven or operated by the named person(s) set forth in the Schedule below.

This exclusion applies whether or not the maintenance or use of a covered "auto" was with the express or implied permission of its owner or the owner's agent except that minimum financial responsibility limits will be provided where required by applicable law.

SCHEDULE

Excluded Driver(s) or Operator(s):	
ROBERT PEREZ	

In all other respects, this policy remains unchanged.

The Named Insured, or if a Corporation, an Authorized Representative accepts this endorsement as witness such signatures:

 Signature of any Named Insured, or if a Corporation, an Authorized Representative

 Date

 Title

 Print/Type Name of Person Who Signed

EXHIBIT C



Fraud Warnings Disclosure

TO BE ATTACHED TO AND FORM PART OF THE APPLICATION. IF FRAUD WARNINGS ARE INCLUDED IN THE APPLICATION TO WHICH THIS IS ATTACHED, THIS DISCLOSURE REPLACES THOSE WARNINGS.

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties. (Not applicable in AL, AR, CO, DC, FL, KS, KY, LA, MD, ME, NJ, NM, NY, OH, OK, OR, PA, PR, RI, TN, TX, VA, VT, WA, and WV.)

In Arkansas, Louisiana, Rhode Island, or West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison, or any combination thereof.

In Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

In District of Columbia: Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

In Florida: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

In Kansas: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to an insurer, purported insurer, or to or by a broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act and may be subject to criminal and/or civil fines or penalties.

In Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

In Maine, Tennessee, Virginia, or Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

In **Maryland**: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In **New Jersey**: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

In **New Mexico**: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

In **New York**: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

In **Ohio**: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

In **Oklahoma**: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

In **Oregon**: Any person who knowingly and with intent to defraud any insurer or other person files an application for insurance or statement of claim containing any materially false information upon which an insurer relies, if such information was either material to the risk assumed by the insurer or the misinformation was provided fraudulently, may commit a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

In **Pennsylvania**: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

In **Puerto Rico**: Any person who has committed fraud, as defined in the law, shall incur a felony, and if convicted, shall be sanctioned for each violation by a penalty of a fine of not less than five thousand dollars (\$5,000), nor more than ten thousand dollars (\$10,000), or a penalty of imprisonment for a fixed term of three (3) years, or both penalties. If there were aggravating circumstances, the fixed penalty thus established may be increased up to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years. In addition to the penalties provided in this chapter, any person who, as a result of the fraud thus committed is benefited in any way to obtain insurance, or in the payment of a loss pursuant to an insurance contract, shall be imposed the payment of restitution of the amount of money resulting from the fraud. Every violation shall have a prescription term of (5) five years.

In **Texas**: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

In **Vermont**: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

The undersigned, on behalf of all Insureds, acknowledges that discovery of any fraud, intentional concealment, or misrepresentation of any material fact may render this policy, if issued, voidable at inception or otherwise cancelled.

Applicant

Applicant Name and Title: _____ Date: _____
Applicant Signature: _____



NOTICE TO POLICYHOLDERS (PROPERTY – 2)

POTENTIAL RESTRICTIONS OF TERRORISM COVERAGE

This Notice has been prepared in conjunction with the **POTENTIAL** implementation of changes related to coverage of terrorism under your policy.

The Terrorism Risk Insurance Act, as amended, established a program (Terrorism Risk Insurance Program) within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. That Program will terminate at the end of December 31, 2014 unless extended by the federal government. Your policy will become effective (or will be renewed) while the federal Program is still in effect, but prior to a decision by the federal government on extension of the federal Program. If the federal Program terminates, or is extended with certain changes, during the term of your policy, then the treatment of terrorism under your policy will change. This Notice is being provided to you for the purpose of summarizing potential impact on your coverage. The summary is a brief synopsis of significant exclusionary provisions and limitations.

This Notice does **not** form a part of your insurance contract. The Notice is designed to alert you to coverage restrictions and to other provisions in certain terrorism endorsement(s) in this policy. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

Carefully read your policy, including the endorsements attached to your policy.

YOUR POLICY AT START OF NEW POLICY TERM:

This policy contains an endorsement excluding coverage for "certified acts of terrorism", which is more fully defined in the endorsement but involves acts of terrorism by or on behalf of a foreign interest.

POTENTIAL CHANGE DURING THE TERM OF YOUR POLICY:

A Conditional Terrorism Exclusion Endorsement is attached to your policy. Its provisions will become applicable to your policy only if certain events (one or more of them) occur. Those events include the following:

- If the federal Terrorism Risk Insurance Program (TRIP) terminates with respect to the type of insurance provided under this policy. (TRIP is scheduled to terminate at the end of December 31, 2014 unless extended by the federal government.); or
- If TRIP is extended with changes that redefine terrorism, and we are not required to make such revised coverage available to you; or

- If TRIP is extended with changes that make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other events or occurrences under this policy, and we are not required to make such revised coverage available to you; or
- If TRIP is extended with changes that increase insurers' statutory percentage deductible under TRIP for terrorism losses, or decrease the federal government's statutory percentage share in potential terrorism losses, and we are not required to make terrorism coverage available to you. Our deductible is 20% of the total of our previous year's direct earned premiums. The government's share is 85% of the terrorism losses paid by us above the deductible.

The Conditional Terrorism Exclusion Endorsement treats terrorism as follows:

Coverage for loss or damage arising out of a terrorism incident is excluded only if:

- The total of all insured damage to all types of property (including business interruption losses sustained by owners or occupants of damaged property), from the incident, exceeds \$25 million. The \$25 million property damage threshold is based on losses sustained by all persons and entities who are affected by an incident of terrorism, and who are insured for the damage, or who would be insured but for a terrorism exclusion; or
- The terrorism event involves nuclear materials or results in nuclear reaction or radiation or radioactive contamination; or
- The terrorism event involves the release of radioactive material, and it appears that one purpose of the terrorism was to release such material; or
- The terrorism event is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- The terrorism event involves the release of pathogenic or poisonous biological or chemical materials, and it appears that one purpose of the terrorism was to release such materials.

See the definition of terrorism for purposes of the terrorism exclusion.



Commercial Property Coverage Part Property Portfolio Protection Revision of Forms and Endorsements Advisory Notice to Policyholders

This is a summary of the major changes in your Commercial Property Coverage Part. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations Page for complete information on the coverage you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THIS POLICY SHALL PREVAIL.**

The areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy.

The material in this notice makes reference to form and endorsement numbers; **however, not all forms and endorsements are included in a particular policy.**

Commercial Property Coverage Part General Provisions (PPP-0101)

- Language has been added under the Deductibles section to contemplate that water damage and theft may be subject to separate deductible amounts. The wind or wind/hail deductible language has been modified to clarify the all other peril deductible applies unless there is a separate wind or wind/hail deductible on the policy.

Commercial Property Conditions (PPP-0102)

Reduction or Potential Reduction in Coverage:

- The Coverage Territory condition has been modified to eliminate Canada for other than transit losses. Our Envoy product would cover Canada risks.

Commercial Property Definitions (PPP-0103)

- Four new definitions have been added:
- **“Cloud Facility”** to specify intent for new **Cloud Coverage** form **PPP-0417**
- **“Computer systems”** added as a term within **Cloud Coverage** form **PPP-0417**
- **“Green roofing systems”** to provide coverage without the optional **Better Green** endorsement
- **“Information technology services”** added as a term within **Cloud Coverage** form **PPP-0417**

A number of definitions have been modified

- **“Continuing expenses”** was amended to clarify that **“continuing expenses”** does not include non-continuing expenses
- **“Contractor’s equipment”** was amended to add what **“contractor’s equipment”** does not mean as temporary forms, shoring and false work are provided as an additional coverage with a sub limit in the Contractors Equipment Coverage Form.
- **“Contributing locations”** was amended to clarify the intent
- **“Electronic vandalism”** was broadened to include **“research and development property”**
- **“Improvements and betterments”** was broadened to include additional cover for tenant contract responsibility
- **“Installation or service premises”** was broadened to include a location where you are constructing property
- **“Landscaping materials”** was amended to include **“green roofing systems”**
- **“Outdoor trees, shrubs, plants, or lawns”** was amended for what **“green roofing systems”** does not mean
- **“Personal property”** was amended for what **“green roofing systems”** does not mean
- **“Real property”** was amended to include **“green roofing systems”**
- **“Temporary storage location”** was amended to expand coverage for locations leased, rented or occupied for less than one year



Real and Personal Property Coverage Form (PPP-0110)

- Language under the exclusion of Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance
- Language under Dishonest Acts has been reformatted

Broadened Coverage:

- **“Green roofing systems”** has been added to the form with a broadened peril set than previously provided under the optional **Better Green** endorsement.

Additional Coverages Form (PPP-0111)

- Language under Electronic Vandalism-Direct Damage was expanded to include **“research and development property”** and will apply when the Research and Development Property Coverage Form (PPP-0118) applies to a premises.

Accounts Receivable Coverage Form (Revenue Loss) (PPP-0112)

Fine Arts Coverage Form (PPP-0114)

Original Information Property Coverage Form (PPP-0116)

- Language under Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance.
- Language under Dishonest Acts has been reformatted

Installation and Service Property Coverage Form (PPP-0115)

- Language under Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance.
- Language under Dishonest Acts has been reformatted

Transit Coverage Form (PPP-0117)

- Language under Dishonest Acts has been reformatted

Research and Development Property Coverage Form (PPP-0118)

- Language under the Additional Coverages has been revised to clarify that the additional coverage applies to a “premises” for which you have purchased the optional coverage for **“research and development property”**
- Language under the Artificially Maintained Conditions and the Off-Premises Service Interruption exclusion had been clarified to indicate the exception for coverage provided in the Additional Coverages section
- Language under Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance.
- Language under Dishonest Acts has been reformatted

Business Income Coverage Form (Excluding Extra Expense) (PPP-0130)

Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology (PPP-0131)

- Language under Civil Authority has been revised to clarify the intent
- Language under Expense to Reduce loss has been amended to clarify it is subject to the Business Income limit
- Language under Ingress/Egress has been amended to clarify the loss or damage but be directly caused by a **“covered cause of loss”**
- **“Green roofing systems”** has been added to the list of excepted property types under the Real or Personal Property exclusion.
- **“Green roofing systems”** has been added to the Limitations to remain consistent with the causes of loss excepted in the Real and Personal Property Coverage Form.



Extra Expense Coverage Form (PPP-0132)

- Language under Civil Authority has been revised to clarify the intent
- Language under Ingress/Egress has been amended to clarify the loss or damage but be directly caused by a **“covered cause of loss”**
- **“Green roofing systems”** has been added to the list of excepted property types under the Real or Personal Property exclusion.
- **“Green roofing systems”** has been added to the Limitations to remain consistent with the causes of loss excepted in the Real and Personal Property Coverage Form.

Contractor’s Equipment Coverage Form (PPP-0140)

- Language under the exclusion for Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance
- Language was modified in the Deductible section to allow for an option of waiting period
- Language under Dishonest Acts has been reformatted

Broadened Coverage:

- Language was amended to include two new additional coverages
 1. Contractor’s Equipment Continuing Lease or Rental Payments
 2. Contractor’s Equipment Fire Department Service Charge
- Language was modified in the Deductible section to \$ 0 out the deductible for theft if the “contractors equipment” was registered with National Equipment Register prior to the loss

Installation Property Coverage Form (PPP-0141)

- Language under the exclusion for Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance
- Language under the valuation for installation property was clarified to reflect what the cost was at the time of loss or damage if not repaired, replaced or rebuilt
- Language under Dishonest Acts has been reformatted

Broadened Coverage:

- Language was amended to include two new additional coverages
 1. Installation Property Fire Department Service Charge
 2. Installation Property Pollutant Clean Up- Land and Water
- Language was added to the Additional Conditions section to address additional insured's as respects to their financial interest

Reduction or Potential Reduction in Coverage

- A Property Not Covered section was added to the policy to exclude coverage for contraband or property in the course of illegal transportation or trade.

Riggers Liability Coverage Form (PPP-0142)

- Language under the exclusion for Process Failures, Defects or Errors has been modified to clarify the coverage intent of lack of maintenance and not an error while performing maintenance

Reduction or Potential Reduction in Coverage

- Language under Property Not Covered has been modified from lawns to land
- Buildings or other structures has been added to the list of Property Not Covered
- Precipitation damage to property in the open has been added as an exclusion

Increased Cost of Construction Exclusion (PPP-0210)

- Language has been amended under the definition for **“replacement cost”** to reflect “new” materials
- Language has been clarified under the definition of “period of restoration” with no change in intent



Named Storm--Direct Damage Deductible (PPP-0216)

Named Storm--Direct Damage and Time Element Deductible (PPP-0217)

Named Storm--Direct Damage and Time Element Deductible (Premises and Reported Unscheduled Premises) (PPP-0218)

Named Storm Occurrence--Direct Damage and Time Element Deductible (PPP-0219)

Named Storm Sublimit--Contractor's Equipment and Installation Property (PPP-0247)

Reduction or Potential Reduction in Coverage

- The definition of “**named storm**” has been amended by separating out the occurrence portion of the definition.
- Language has been added to clarify an occurrence of when a “named storm” begins and ends

Personal Property Redefined--Contractors (PPP-0240)

- “**Green roofing systems**” was added to the list of what “**personal property**” does not mean. This is to remain consistent with adding “**green roofing systems**” under what “**real property**” does mean within the Commercial Property Definitions form

Dependent Premises Business Income Coverage--Scheduled Limits and Locations (PPP-0301)

- Language under Additional Coverages for Civil Authority has been modified to clarify intent
- Language with respect to civil authority has been added to the Optional Coverage section
- The Deductible section has been moved to follow the Optional Coverage section

Dependent Premises Business Income Coverage--Unscheduled Locations (PPP-0302)

- Language under Additional Coverages for Civil Authority has been modified to clarify intent
- Language with respect to civil authority has been added to the Optional Coverage section

Dependent Premises Extra Expense Coverage--Scheduled Limits and Locations (PPP-0303)

- Language was restated to include the time limitation for Civil Authority within the Civil authority coverage grant

Earth Movement Coverage (PPP-0304)

Earth Movement Coverage--Premises and Reported Unscheduled Premises (PPP-0306)

Flood Coverage (PPP-0310)

Flood Coverage--Premises and Reported Unscheduled Premises (PPP-0311)

- These optional endorsements were modified to reflect that a “cloud facility” as part of the new Cloud Facility Coverage is added as a location under Off-Premises Damage locations excluded from coverage.

Off-Premises Service Interruption--Direct Damage (PPP-0320)

- Language referencing Including or Excluding was modified to With or Without
- Language was added to advise what the term Communication does and does not include to clarify “**information technology systems**” is not included

Off-Premises Service Interruption--Time Element (PPP-0321)

- Language referencing Including or Excluding was modified to With or Without
- Language was added to advise what the term Communication does and does not include to clarify “**information technology systems**” is not included
- Language was modified by splitting out how the policy responds to Business Income and Extra Expense when the policy is issued with a Blanket Business Income and Extra Expense limit
- Language under the deductible section was clarified to restate what we pay after the deductible or waiting period is exceeded



Better Green Coverage (PPP-0331)

- Language throughout the form relating to “**green roofing systems**” was removed from this Optional Endorsement as it is now provided with a broader peril set under the Real and Personal Property Coverage Form (PPP-0110)

Scheduled Contractor’s Equipment—Special Valuation (PPP-0340)

Broadened Coverage:

- Language has been amended to reflect “new” materials for valuation
- Language has been added to include the costs of in force service contracts, warranties, and the like in the valuation

Financial Institution Coverage (PPP-0402)

- Language has been modified under the definitions of “**newly acquired premises**” and “**unreported premises**” to add “**rigging premises**” to what each does not mean. This remains consistent with their definitions as listed in the Commercial Property Definitions Form PPP-0103
- Language for the definition of “**personal property**” does not mean was modified to include “**Green roofing systems**” which remains consistent with its definitions as listed in the Commercial Property Definitions Form PPP-0103 (03 14)

Golf Course Outdoor Grounds Coverage (PPP-0404)

Limited Golf Course Outdoor Grounds Coverage (PPP-0407)

Reduction or Potential Reduction in Coverage:

- The valuation provision has been amended to reduce the number of months from 24 to 12 in which you have to replace damaged trees and receive loss payment.
- The valuation provision has been amended to sub limit per occurrence the amount payable for all damaged trees that are not replaced.

Healthcare Industry Coverage (PPP-0409)

- Language has been added to the mobile medical equipment provision to reflect how the amount of covered damage will be determined in a loss.
- Language has been added to optionally choose a per item limit lower than the occurrence limit

Broadened Coverage:

- The definition of “**Mobile medical equipment**” has been amended to include any trailer to which the equipment is permanently attached.
- Language has been added to include the costs of in force service contracts, warranties, and the like in the valuation

Contingent Real Property Coverage (PPP-0410)

- A modification of language was made as to reasons this insurance is primary

Loss Payable Provisions (PPP-0502)

Broadened Coverage:

- A provision has been added to include Building Owner as an option for Loss payee



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Nancy D. Mueller

President

David J. Keating

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com



Florida Hurricane Catastrophe Fund (FHCF) Emergency Assessment - 2005 Hurricanes

The Florida legislature created the FHCF in order to provide capacity to the personal and commercial residential property insurance market. In accordance with Florida law, deficits of the FHCF are funded through emergency assessments on direct premiums for certain property and casualty lines of business in the state of Florida.

The current FHCF emergency assessment is for the purpose of financing the FHCF's shortfall from the 2005 hurricane season. In order to fund this deficit, policies effective on or after January 1, 2011 are subject to an emergency assessment of 1.30% of premium for the following lines of business:

Fire, Allied Lines, Multi-Peril Crop, Farmowners Multi-Peril, Homeowners Multi-Peril, Commercial Multi-Peril (liability and non-liability), Mortgage Guaranty, Ocean Marine, Inland Marine, Financial Guaranty, Earthquake, Other Liability, Products Liability, Private Passenger Auto No-Fault, Other Private Passenger Auto Liability, Commercial Auto No-Fault, Other Commercial Auto Liability, Private Passenger Auto Physical Damage, Commercial Auto Physical Damage, Aircraft, Fidelity, Surety, Burglary and Theft, Boiler and Machinery, Credit, Warranty, and Aggregate Write Ins for Other Lines of Insurance.

The FHCF emergency assessment applicable to this policy is not subject to premium taxes, fees, or commissions.



Illinois Civil Union Act Policyholder Notice

On June 1, 2011, Public Act 96-1513, the Religious Freedom Protection and Civil Union Act ("the Act") became effective. Under the Act, both same-sex and opposite-sex couples may enter into a civil union. A party to a civil union is entitled to the same legal obligations, responsibilities, protections, and benefits as are afforded or recognized by the law of Illinois a spouse; whether they derive from statute, administrative rule, common law, or any other source of civil or criminal law. A marriage between persons of the same sex, a civil union, or a substantially similar legal relationship other than common law marriage, legally entered into in another jurisdiction, shall be legally recognized in Illinois as a civil union.

CAUTION: FEDERAL LAW RIGHTS MAY OR MAY NOT BE AVAILABLE:

Illinois law grants parties to a civil union the same benefits, protections and responsibilities that flow from marriage under state law. However, some or all of the benefits, protections and responsibilities related to health insurance that are available to married persons under federal law may not be available to parties to a civil union. For example, the Employee Retirement Income Security Act of 1974, a federal law known as "ERISA" controls the employer/employee relationship with regard to determining eligibility for enrollment in private employer health benefit plans. Because of ERISA, Act 91 does not state requirements pertaining to a private employer's enrollment of a party to a civil union in an ERISA employee welfare benefit plan. However, governmental employers (not federal government) are required to provide health benefits to the dependents of a party to a civil union if the public employer provides health benefits to the dependents of married persons. Federal law also controls group health insurance continuation rights under "COBRA" for employers with 20 or more employees as well as the Internal Revenue Code treatment of health insurance premiums. As a result, parties to a civil union and their families may or may not have access to certain benefits under this policy, contract, certificate, rider or endorsement that derive from federal law. You are advised to seek expert advice to determine your rights.

**ZURICH**

Exclusion of Certified Acts of Terrorism

Insureds Name	Policy Number	Effective Date	Endorsement Number

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

COMMERCIAL PROPERTY PORTFOLIO COVERAGE PART

SCHEDULE*

The exception relating to certain fire losses applies to property located in the following state(s), if covered by this insurance:

State(s)
CA, GA, HI, IL, IA, ME, MO, NJ, NY, NC, OR, RI (except as to commercial special risks),
Virgin Islands, WA, WV, WI

*Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

A. Exclusion of Certified Acts of Terrorism

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism", including action in hindering or defending against an actual or expected "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

B. Exception Relating to Fire Losses Applicable to Property Located in Certain States

If the "certified act of terrorism" results in fire, we will pay for the direct physical loss or damage to Covered Property caused by that fire. This exception does not apply to any other loss or damage including but not limited to business income, extra expense, any additional coverage and any coverage extension.

C. Definition

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

D. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

E. Cap on Losses From Certified Acts of Terrorism

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

**ZURICH**

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

Insureds Name	Policy Number	Effective Date	Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by:

COMMERCIAL PROPERTY PORTFOLIO COVERAGE PART

SCHEDULE*

The **Exception Covering Certain Fire Losses** (Paragraph D) applies to property located in the following state(s), if covered by this insurance:

State(s)
CA, GA, HI, IL, IA, ME, MO, NJ, NY, NC, OR, RI (EXCEPT AS TO COMMERCIAL SPECIAL RISKS), VIRGIN ISLANDS, WA, WV, WI

*Information required to complete the Schedule, if not shown above, will be shown in the Declarations.

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The federal Terrorism Risk Insurance Program ('Program'), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Form, Coverage Part or Policy; or

- b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:

- (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
- (2) Decrease the federal government's statutory percentage share in potential

terrorism losses above such deductible;
or

- (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
 2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism," but only with respect to loss or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.
- "Terrorism" means activities against persons, organizations or property of any nature:
1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and
 2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is

excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But for loss or damage in the United States, its territories and possessions, Puerto Rico and Canada, this exclusion applies only when one or more of the following are attributed to an incident of 'terrorism':**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this item **C.5.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form, Coverage Part or Policy.

D. Exception Covering Certain Fire Losses

The following exception to the Exclusion of Terrorism applies only if indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for

fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under business income and/or extra expense coverage forms or endorsements that apply to those coverage forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

E. Application of Other Exclusions

1. When the Exclusion of Terrorism applies in accordance with the terms of **C.1.** or **C.2.**, such exclusion applies without regard to the Nuclear

Hazard Exclusion in this Coverage Form, Coverage Part or Policy.

2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.



**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY.
THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS
AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

DISCLOSURE OF PREMIUM (RELATING TO DISPOSITION OF TRIA)

SCHEDULE*

(1) Premium attributable to risk of loss from certified acts of terrorism through the end of the policy period based on the extension of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Extension Act of 2005, ("TRIA") for lines subject to TRIA and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA):

General Liability	\$1,355.00
Property Portfolio Protection	Not Applicable - Terrorism Exclusion

If TRIA terminates, the portion of this premium attributable to the remaining part of the policy period, as modified by any change shown in **(2)** of this Schedule, applies to the risk of loss from terrorism after the termination of TRIA.

(2) Premium change upon termination of TRIA or upon applicability of a Conditional Endorsement:

No change unless one of the following is completed -

Return Premium: N/A

Additional Premium: N/A

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of your premium attributable is shown in the Schedule of this endorsement or in the Declarations.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The Act currently provides for no insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year. The federal program established by the Act is scheduled to terminate at the end of

December 31, 2014 unless extended by the federal government.

C. Possibility of Additional or Return Premium

The premium attributable to the risk of loss from certified acts of terrorism coverage is calculated based on the coverage (if any) in effect at the beginning of your policy for certified acts of terrorism. If your policy contains a Conditional Endorsement, the termination of TRIA or extension of the federal program with certain modifications (as explained in that endorsement) may modify the extent of coverage (if any) your policy provides for terrorism. If TRIA terminates or the Conditional Endorsement becomes applicable to your policy, the return premium (if any) or additional premium (if any) shown in **(2)** of the Schedule will apply. If the level or terms of federal participation change, the premium shown in **(1)** of the Schedule attributable to that part of the policy period extending beyond such a change may not be appropriate and we will notify you of any changes in your premium.



CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number
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THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

This endorsement applies to all Coverage Parts included in this policy.

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 LIQUOR LIABILITY COVERAGE PART
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

- (1)** Nonpayment of premium; or
- (2)** Discovery of fraud by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

- (1)** Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.
- (2)** Discovery of fraud or material misrepresentation by:
 - (a)** Any insured or his or her representative in obtaining this insurance; or
 - (b)** You or your representative in pursuing a claim under this policy.
- (3)** A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
- (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
- (6) A determination by the Commissioner of Insurance that the:
- (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
- (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B. The following provision is added to the **Cancellation** Common Policy Condition:
- 7. Residential Property**
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part
Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
 - b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
 - c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below.
- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims;
- or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.
- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
- (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
- (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.
3. We are not required to send notice of nonrenewal in the following situations:
- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**
- c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.**, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

- (1)** Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

- (2)** Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3)** Activities or omissions by you which change or increase any hazard insured against;
- (4)** Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;
- (5)** Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

- (6) The insured's violation or breach of any policy terms or conditions; or
- (7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through (7) above.

B. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

- a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**
- b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
- c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.

f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

- d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.
- e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. The **Premiums** Common Policy Condition is replaced by the following:

Premiums

- 1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
- 2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.

F. Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any other reason.

G. The following is added and supersedes any other provision to the contrary:

Nonrenewal

- 1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.
- 2. We need not mail or deliver this notice if:
 - a. We or another company within our insurance group have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
- 3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal Condition**:

Mediation Or Appraisal

If we and you:

- A.** Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

- B.** Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or
2. Failed to notify you of your right to participate in the mediation program.



Important Notice to Florida Policyholders

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1400 American Lane
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



Florida Insurance Guaranty Association 2012 Regular Assessment

The Florida Insurance Guaranty Association, Inc. ("FIGA") pays the claims of insolvent property and casualty insurance companies. FIGA has statutory authority to fund its deficits through assessments based on the premium of subject lines of property and casualty insurance.

To secure funds for the payment of covered claims and to pay the reasonable costs to administer the same, FIGA has imposed a 2012 Regular Assessment on premium for the following lines: Fire, allied lines, farmowners multiple peril, homeowners multiple peril, commercial multiple peril (non-liability portion), commercial multiple peril (liability portion), inland marine, medical malpractice, earthquake, other liability, other liability – occurrence, other liability - claims made, products liability, products liability – occurrence, products liability – claims made, aircraft (all perils), burglary and theft, and boiler and machinery.

For new and renewal policies effective on or after May 1, 2014, a 0.14% regular assessment applies to premium for the subject lines.

2012 FIGA Regular Assessment

The assessment is not subject to fees, or commissions.

**COMMON POLICY DECLARATIONS**

Policy Number CPO 5912284-02

Renewal of Number CPO 5912284-01

Named Insured and Mailing Address

Producer and Mailing Address

OMNICELL INC
 (SEE NAMED INSURED ENDT)
 590 E MIDDLEFIELD RD
 MOUNTAIN VIEW CA 94043-4008

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE CA 95112-4508

Producer Code 70074-000

Policy Period: Coverage begins 09-01-2014 at 12:01 A.M.; Coverage ends 09-01-2015 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM \$	151,304.00
GENERAL LIABILITY COVERAGE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM \$	69,099.00
BUSINESS AUTOMOBILE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM \$	51,968.00
CA-AUTO SPECIAL PURPOSE SURCHARGE	\$	5.25
FL-HURRICANE CAT FUND ASSESSMENT	\$	676.44
CA Seismic Safety Fee	\$.45
STATE FIRE MARSHALL REG ASSESS SURCHG	\$	45.13
FL-DEPT OF REVENUE SURCHARGE	\$	4.00
2012 FIGA REGULAR ASSESSMENT	\$	64.91
2005 FL CITIZENS EMERGENCY SURCHARGE	\$	451.33

THIS PREMIUM MAY BE SUBJECT TO AUDIT.**TOTAL** \$ 272,371.00

This premium does not include Taxes and Surcharges.

SEE INSTALLMENT SCHEDULE

Taxes and Surcharges**TOTAL** \$ 1,247.51

SEE INSTALLMENT SCHEDULE

Form(s) and Endorsement(s) made a part of this policy at time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS.**

Countersigned this day of

Authorized Representative

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Premium		Service Charge	Total Due	Date Due	
\$	90,700.00		\$	91,947.51	09/01/14
\$	60,557.00		\$	60,557.00	12/01/14
\$	60,557.00		\$	60,557.00	03/01/15
\$	60,557.00		\$	60,557.00	06/01/15

U-GU-315-A (01/93)
Page 1
Last page

Policy Number
CPO 5912284-02

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-14

12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-D-365-A	03-94	POLICY COMMON DECLARATIONS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-681-B	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
U-GU-686-B CW	01-06	CONDITIONAL EXCLUSION TERRORISM
U-GU-692-C CW	06-13	DISCL OF PREM. RELATING TO DISP. OF TRIA
U-GU-767-A CW	01-08	CAP ON LOSSES FROM CERTIFIED ACTS OF TER
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 02 70	09-12	CA CHANGES - CANCELLATION & NONRENEWAL
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONREN
IL 00 03	09-08	CALCULATION OF PREMIUM
IL 01 12	06-10	FL CHGS-MEDIATION/APPRL (CMML RES PROP)
U-GU-315-A	01-93	SCHEDULE OF INSTALLMENTS
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-621-A CW	10-02	SCHEDULE OF NAMED INSURED(S)

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0101	03-14	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	03-14	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	03-14	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	03-14	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	03-14	ADDITIONAL COVERAGES FORM
PPP-0112	03-14	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	03-14	FINE ARTS COVERAGE FORM
PPP-0115	03-14	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	03-14	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-14	TRANSIT COVERAGE FORM
PPP-0131	03-14	BUS INCCVG FORM INCL RESEARCH & DEVEL.
PPP-0132	03-14	EXTRA EXPENSE COVERAGE FORM
PPP-0226	06-06	WIND & HAIL -- DD & TE DEDUCTIBLE
PPP-0301	03-14	DED PREM BI COVG--SCHED LIMITS & LOCS
PPP-0302	03-14	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-0310	03-14	FLOOD COVERAGE
PPP-0321	03-14	OFF-PREM SERVICE INTERRUPTION--TE
PPP-1041	03-11	CALIFORNIA CHANGES
PPP-1091	04-13	FLORIDA CHANGES
CP 02 99	11-85	CANCELLATION CHANGES

GENERAL LIABILITY FORMS AND ENDORSEMENTS

CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1369-B CW	04-13	GL SUPPLEMENTAL COVERAGE ENDT TECHNOLOGY
U-GL-1370-B CW	04-13	GL SUPPLEMENTAL COV ENDT TECH QUICK REF
U-GL-1517-B CW	04-13	RECORD OR DISTRB OF MATRL OR INFO EXCL
U-GL-849-B CW	08-04	EMPLOYEE BENEFITS LIABILITY-CLAIMS MADE
U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-D-849-B CW	09-04	EMPLOYEE BENEFITS LIAB DEC - CLAIMS MADE
CG 00 01	04-13	COMMERCIAL GENERAL LIABILITY COV FORM

U-GU-619-A CW (10/02)

Policy Number
CPO 5912284-02

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-14

12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED
CG 32 34	01-05	CALIFORNIA CHANGES
UGL850ACW	07-96	DEDUCTIBLE ENDORSEMENT CLAIMS-MADE
CG 22 75	04-13	PROF LIAB EXCL-COMPUTER SOFTWARE

AUTOMOBILE FORMS AND ENDORSEMENTS

CA 02 67	11-12	FL CHANGES - CANCELLATION AND NONRENEWAL
U-CA-531-B	02-08	NOTICE REGARDING TERRORISM PREMIUM
U-CA-D-600-C	04-14	BUSINESS AUTO DECLARATIONS
CA 00 01	10-13	BUSINESS AUTO COVERAGE FORM
CA 01 22	10-13	KANSAS CHANGES
CA 01 43	10-13	CALIFORNIA CHANGES
CA 21 48	10-13	LA UM COVERAGE - BODILY INJURY
CA 21 54	10-13	CA UM COVERAGE - BODILY INJURY
CA 21 72	10-09	FL UNINSURED MOTORISTS COV - NON STACKED
CA 04 24	10-13	CA - AUTO MEDICAL PAYMENTS COVERAGE
U-CA-424-F CW	04-14	COVERAGE EXTENSION ENDORSEMENT
CA 99 03	03-06	AUTO MEDICAL PAYMENTS COVERAGE
CA 99 03	10-13	AUTO MEDICAL PAYMENTS COVERAGE

Policy Number
CPO 5912284-02

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC

Effective Date: 09-01-14
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

NAMED INSURED

OMNICELL INC
 OMNICELL HEALTHCARE CANADA
 OMNICELL EUROPE, SARL
 SURE MED
 OMNICELL.COM
 OMNICELL TECHNOLOGIES, INC.
 MEDISAFE
 APRS, INC.
 BCX TECHNOLOGY
 OMNICELL CORPORATION (INDIA) PVT LTD
 OMNICELL INC - SPAIN
 RIOUX VISION, INC.
 PANDORA DATA SYSTEMS
 OMNICELL INTERNATIONAL, INC., DUBAI - UAE
 MTS PACKAGING INC
 MEDPAK HOLDINGS INC
 MTS PACKAGING SYSTEMS, INC.
 MTS MEDICATION TECHNOLOGIES INC
 MTS MEDICATION TECHNOLOGIES LTD.
 MTS PACKAGING SYSTEMS, INC.
 MTS MEDICATION TECHNOLOGIES GMBH
 OMNICELL INTERNATIONAL, INC., HONG KONG BRANCH
 OMNICELL INTERNATIONAL, INC., AUSTRALIA BRANCH
 OMNICELL TECHNOLOGY (BEIJING) CO., LTD.
 OMNICELL INTERNATIONAL, INC.

Policy Number
CPO 5912284-02

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-14
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	590 E MIDDLEFIELD MOUNTAIN VIEW, CA 94043	
002	001	3661 BURWOOD DR WAUKEGAN, IL 60085	
003	001	443 DONELSON PIKE STE 200 NASHVILLE, TN 37214	
004	001	2003 GANDY BLVD ST PETERSBURG, FL 33702	
005	001	21540 DRAKE RD STRONGSVILLE, OH 44149	
006	001	5501-A AIRPORT BLVD TAMPA, FL 33634	
007	001	725 SYCAMORE DR MILPITAS, CA 95035	
008	001	800 MILIPITAS BLVD. MILPITAS, CA 95035	



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS

590 E MIDDLEFIELD
MOUNTAIN VIEW, CA 94043

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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From: 9/1/2014 To: 9/1/2015
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ADDRESS

POLICY NUMBER: CPO 5912284-02

SUMMARY OF PREMISES

PREMISES # 2	PREMISES ADDRESS 3661 BURWOOD DR WAUKEGAN, IL 60085
---------------------	--

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
FLOOD	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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SUMMARY OF PREMISES

PREMISES #	3	PREMISES ADDRESS
		443 DONELSON PIKE STE 200 NASHVILLE, TN 37214

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
FLOOD	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
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SUMMARY OF PREMISES

PREMISES #	4	PREMISES ADDRESS
		2003 GANDY BLVD ST PETERSBURG, FL 33702

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME AND EXTRA EXPENSE	INCLUDED IN BLANKET LIMIT OF INSURANCE
OFF-PREMISES SERVICE INTERRUPTION--BUSINESS INCOME AND EXTRA EXPENSE	\$ 1,000,000

DEDUCTIBLE	AMOUNT
WIND AND HAIL--DIRECT DAMAGE AND TIME ELEMENT	\$ 950,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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From: 9/1/2014 To: 9/1/2015
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ADDRESS

POLICY NUMBER:

CPO 5912284-02

SUMMARY OF PREMISES

PREMISES # 5

PREMISES ADDRESS

21540 DRAKE RD
STRONGSVILLE, OH 44149

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

SUMMARY OF PREMISES

PREMISES # 6

PREMISES ADDRESS

5501-A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-02

SUMMARY OF PREMISES

PREMISES #	7	PREMISES ADDRESS
		725 SYCAMORE DR MILPITAS, CA 95035

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
FLOOD	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

POLICY PERIOD:
From: 9/1/2014 To: 9/1/2015
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SUMMARY OF PREMISES

PREMISES #	8	PREMISES ADDRESS
		800 MILIPITAS BLVD. MILPITAS, CA 95035

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	NOT COVERED
BUSINESS INCOME	NOT COVERED
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$ 250,000
OFF-PREMISES SERVICE INTERRUPTION--DIRECT DAMAGE	\$ 100,000
ORIGINAL INFORMATION PROPERTY	\$ 250,000
POLLUTANT CLEAN UP AND REMOVAL--LAND AND WATER	\$ 25,000

DEDUCTIBLE	AMOUNT
PROPERTY	\$ 5,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

BLANKET LIMITS OF INSURANCE

PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE

\$ 39,997,194

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all **"personal property"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"personal property"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"personal property"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE

\$ 20,000,000

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of **"business income"** and **"extra expense"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"business income"** or **"extra expense"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"business income"** or **"extra expense"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
CIVIL AUTHORITY			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$	25,000	PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$	250,000	PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$	250,000	PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$	25,000	PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$	25,000	PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY			COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$	500,000	PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$	2,500	PER OCCURRENCE
DEFERRED PAYMENTS	\$	50,000	PER OCCURRENCE
DELAYED NET INCOME			INCLUDED
DEPENDENT BUSINESS INCOME--UNSCHEDULED LOCATIONS	\$	2,000,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
ELECTRONIC VANDALISM			
BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
DIRECT DAMAGE	\$	100,000	ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$	25,000	PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME			COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME			UNLIMITED
EXTRA EXPENSE	\$	25,000	PER PREMISES
FAIRS OR EXHIBITIONS			
BUSINESS INCOME	\$	10,000	PER OCCURRENCE
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$	250,000	PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS			COVERED
FOOD AND DRUG ADMINISTRATION (FDA) RECERTIFICATION--BUSINESS INCOME			INCLUDED
INFLATION GUARD			
PERSONAL PROPERTY		4	% ANNUAL
INGRESS/EGRESS			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
LOCK AND KEY REPLACEMENT	\$	25,000	PER PREMISES
MICROORGANISMS	\$	50,000	ANNUAL AGGREGATE
MICROORGANISMS--BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
NEWLY ACQUIRED PREMISES			
REAL PROPERTY	\$	2,000,000	FOR 180 DAYS
PERSONAL PROPERTY	\$	1,000,000	FOR 180 DAYS
BUSINESS INCOME	\$	250,000	FOR 180 DAYS
EXTRA EXPENSE	\$	25,000	FOR 180 DAYS
			THE ABOVE LIMITS APPLY SEPARATELY TO EACH NEWLY ACQUIRED PREMISES
NEWLY ACQUIRED PROPERTY			
REAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
PERSONAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
OFF-PREMISES SERVICE INTERRUPTION--DIRECT\$ DAMAGE		1,000,000	PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS\$		250,000	PER PREMISES
	\$	5,000	PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL--LAND AND\$ WATER		50,000	ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY		180	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
PROFESSIONAL FEES	\$	25,000	PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES			
REAL PROPERTY			NOT COVERED
PERSONAL PROPERTY			NOT COVERED
BUSINESS INCOME			NOT COVERED
EXTRA EXPENSE			NOT COVERED
REWARD PAYMENTS	\$	25,000	PER OCCURRENCE
SALESPERSONS SAMPLES	\$	25,000	PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$	100,000	PER PREMISES
THEFT DAMAGE TO BUILDINGS			COVERED
UNREPORTED PREMISES			
REAL PROPERTY	\$	100,000	PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$	500,000	PER UNREPORTED PREMISES
EXTRA EXPENSE	\$	250,000	PER UNREPORTED PREMISES
BUSINESS INCOME	\$	250,000	PER UNREPORTED PREMISES



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
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CPO 5912284-02

MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE

LIMIT OF INSURANCE

ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$	500,000	PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS)--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
FINE ARTS	\$	25,000	PER PREMISES
FINE ARTS--AWAY FROM PREMISES	\$	25,000	PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY			
STOCK TO BE INSTALLED	\$	50,000	PER OCCURRENCE--INSTALLATION PREMISES
	\$	50,000	PER OCCURRENCE--TEMPORARY STORAGE LOCATION
	\$	50,000	PER OCCURRENCE--TRANSIT
TOOLS AND EQUIPMENT			
SCHEDULED EQUIPMENT			NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$	1,000	PER ANY ONE ITEM
	\$	50,000	PER OCCURRENCE
Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.			
ORIGINAL INFORMATION PROPERTY	\$	500,000	PER PREMISES
ORIGINAL INFORMATION PROPERTY--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
TRANSIT			
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
BUSINESS INCOME	\$	10,000	PER OCCURRENCE

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-02

DEDUCTIBLES

GENERAL DEDUCTIBLES

PROPERTY DEDUCTIBLE	\$	100,000 PER OCCURRENCE
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The above deductible applies to all loss, damage, cost, or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

BUSINESS INCOME AND EXTRA EXPENSE WAITING PERIOD	24 HOURS
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The above waiting period applies to all loss or expense covered by Business Income and Extra Expense coverages contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

OFF PREMISES SERVICE	24 HOURS
INTERRUPTION--TIME ELEMENT WAITING PERIOD	

The above waiting period applies to all loss or expense covered by Off-Premises Service Interruption--Time Element coverage contained in this Commercial Property Coverage Part.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

DEDUCTIBLES

CATASTROPHE PERIL DEDUCTIBLES

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by "**flood**" is subject to separate deductible amounts. The deductibles applicable to "**flood**" are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Flood coverage applies to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

WIND AND HAIL DEDUCTIBLES

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Wind and Hail Deductibles apply to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

APPLICATION OF MULTIPLE DEDUCTIBLES

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under "**time element coverage**". This provision does not apply to Covered Property and "**time element coverage**" for covered loss or damage due to "**earth movement**", "**flood**", "**named storm**", or to wind or hail when a separate Wind and Hail Deductible is applicable.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2014 To: 9/1/2015
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-02

CATASTROPHE COVERAGE--LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those "**premises**" that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at "**reported unscheduled premises**", those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMIT OF INSURANCE AND DEDUCTIBLES

FLOOD

PREMISES

SEE SUMMARY OF PREMISES SECTION

OCCURRENCE

\$ 1,000,000

ANNUAL AGGREGATE

\$ 1,000,000

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION



Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a. Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b. Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and vice versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. However, this provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**, **"flood"**, or **"named storm"**, or to wind or hail when a separate Wind Deductible or Wind and Hail Deductible is applicable.

Loss or damage to Covered Property caused by **"earth movement"**, **"flood"**, **"named storm"**, water damage, theft and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Wind Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.



Commercial Property Conditions

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Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the "**actual cash value**" and "**replacement cost**". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage, including a description of the property involved.
 - c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **"covered cause of loss"**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, **"member"**, director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

1. All of its terms have been fully complied with; and
2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:

- a. Pay the amount of the loss or damage;
- b. Pay the cost of repairing or replacing the lost or damaged property;
- c. Take all or any part of the property at an agreed or appraised value; or
- d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. If we elect to exercise option 1.c. with respect to any branded or labeled "**merchandise**" or "**finished stock**", you may:

- a. Stamp salvage on the "**merchandise**" or "**finished stock**", or its containers, if the stamp will not physically damage the "**merchandise**" or "**finished stock**"; or
- b. Remove the brands or labels, if doing so will not physically damage the "**merchandise**" or "**finished stock**". You must relabel the "**merchandise**" or "**finished stock**", or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.

3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to "**personal property of others**" may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions); and
 - b. Puerto Rico.
3. When this Commercial Property Coverage Part provides coverage for property in transit:
 - a. The coverage territory is extended to Canada for property in transit as long as the origin or destination is included in 2. above, except when property is being transported by a vessel.
 - b. The coverage territory is extended to everywhere else in the world for property while being transported by an aircraft, as long as either the origin or destination is included in 2. above and neither the origin nor the destination is in any country upon which the United States government has imposed sanctions, embargoes or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:
 - a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
 - a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be **"suspended equipment"** when the property is found to be in, or exposed to, a dangerous condition, provided we have:

1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as **"suspended equipment"**; and
2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of **"suspended equipment"** can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of **"suspended equipment"** will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of **"suspended equipment"** will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured under this Commercial Property Coverage Part;

- b.** A business firm owned or controlled by you;
- c.** A business firm, or an individual, that owns or controls you; or
- d.** Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

- 1.** We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
- 2.** We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
- 3.** We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**; plus
 - b. **"Continuing expenses"**.
6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
 - b. Seasonal activity planned in advance;
 - c. Schedule delays due to weather; or
 - d. Labor actions beyond your control.
7. **"Cloud facility"** means a data center(s) owned and operated by others whom you depend on to provide **"information technology services"**.
8. **"Computer systems"** means:
- a. Computer hardware, software, and electronic data;
 - b. Input and output devices;
 - c. Data storage devices;
 - d. Networking equipment and components;
 - e. Firmware; and
 - f. Electronic backup facilities, including systems accessible through the internet, intranets, or virtual private networks.
9. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.
10. **"Continuing expenses"** means:
- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
 - b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.
- "Continuing expenses"** does not mean:
- a. **"Extra expense"**;
 - b. Expediting expense;
 - c. **"Research and development continuing expenses"**;
 - d. Any charges or expenses that do not necessarily continue during the **"period of restoration"** or **"extended period of indemnity"**; or
 - e. Bad debts.
11. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

12. "Contractor's equipment" means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,

owned by you or owned by others in your care, custody, or control.

"Contractor's equipment" does not mean:

- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. Temporary or permanent forms, shoring, scaffolding, or falsework;
- e. **"Contractor's employees' property"**; or
- f. Recreational watercraft.

13. "Contributing locations" means locations owned and operated by others who:

- a. You depend on to deliver materials or services directly to you, or to others under your contract of sale; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

"Contributing locations" does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **"Manufacturing locations"**.

14. "Covered cause of loss" means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

"Covered cause of loss" does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or
- b. Damage.

15. "Defective materials" means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

16. "Denial of service" means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

17. "Dependent premises" means the following types of locations:

- a. **"Contributing locations"**;
- b. **"Recipient locations"**;

c. **"Manufacturing locations"**; and

d. **"Leader locations"**.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

"Dependent premises" does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

18. **"Duplicate information property"** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Duplicate information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**; or
- e. **"Electronic data processing hardware"**.

19. **"Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

20. **"Electronic data processing hardware"** means:

- a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;
- b. Telephone equipment; and
- c. Facsimile equipment.

"Electronic data processing hardware" does not mean computers, devices, or components which:

- a. Exist primarily to control or operate machinery or equipment or to produce **"stock in process"** or **"finished stock"**; or
- b. Are **"stock"**.

21. **"Electronic vandalism"** means:

- a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, **"original information property"**, or **"research and development property"**;
- b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of **"electronic data processing hardware"** and may destroy, alter, contaminate, or compromise the integrity, quality, or

performance of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, **"original information property"**, or **"research and development property"**;

- c. Unauthorized viewing, copying, or use of any electronic **"accounts receivable records"**, **"duplicate information property"**, **"original information property"**, or **"research and development property"**; and
- d. **"Denial of service"**.

22. "Equipment breakdown cause of loss" means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;
- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

23. "Extended period of indemnity" means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

"Extended period of indemnity" does not mean **"research and development extended period of indemnity"**.

24. "Extra expense" means operating expenses you incur during the **"period of restoration"** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **"suspension"** of or to continue those **"operations"** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **"period of restoration"**.

"Extra expense" does not mean:

- a. Costs incurred to purchase **"merchandise"** as a replacement for your **"finished stock"**;
- b. **"Continuing expenses"** or **"research and development continuing expenses"**;
- c. Costs to repair, rebuild, or replace any property, or research or restore **"original information property"**; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

25. **"Fine arts"** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.
26. **"Finished stock"** means **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale.
- "Finished stock"** does not mean **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.
27. **"Fire protection sprinkler system piping"** means valves, fittings, and piping located above the lowest floor, and limited to risers, check valves, control valves, gauges, feed mains, cross mains, branch lines, arm-overs, sprigs, and automatic sprinkler heads located inside the building as part of the fire protection sprinkler system.
28. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:
- The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.
29. **"Fungus"** means any type or form of fungus, mold, or mildew and any mycotoxins, spores, scents, or by-products produced or released by fungi.
30. **"Goods you have manufactured"** means:
- Goods manufactured at a location you own or operate; and
 - Goods manufactured at a location that you do not own or operate, provided:
 - You contracted for the goods to be manufactured exclusively for you; and
 - You are the owner or licensee of the design, patent, trademark, or copyright for the goods.
31. **"Green roofing systems"** means environmentally friendly roof coverings as defined by the LEED® Green Building Rating System™ of the U.S. Green Building Council or any other trees, shrubs, plants, grass, or lawns and other landscaping materials which are part of a vegetated roof.
32. **"Gross leasehold interest"** means:
- The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
 - The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.
- Example:
- | | |
|--|---------|
| Monthly rental value of your leased "premises" : | \$1,000 |
| Monthly rent including taxes, insurance, janitorial, or other services that you pay for as part of the rent: | - \$700 |
| "Gross leasehold interest" | \$300 |

33. **"Improvements and betterments"** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you or for which you are legally required by written contract to insure; and
- c. Which you cannot remove legally.

34. **"Information technology services"** means technology services provided under a written contract consisting of:

- a. Maintaining, managing, or controlling **"computer systems"**;
- b. Hosting or facilitating your internet website or web application(s); and
- c. Other related technology services.

"Information technology services" does not mean video, voice, or data communication services.

35. **"Installation property"** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **"installation or service premises"**.

"Installation property" does not mean **"landscaping materials"** or land.

36. **"Installation or service premises"** means a location that is not owned, leased, or operated by you, at which you are installing, constructing, or servicing property.

"Installation or service premises" does not mean a **"rigging premises"**.

37. **"Landscaping materials"** means trees, shrubs, plants, grass, lawns, and other landscaping materials, including **"green roofing systems"** owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **"installation or service premises"**.

"Landscaping materials" does not mean trees, shrubs, plants, grass, lawns, or other landscaping materials or **"green roofing systems"** that exist as a permanent part of an **"installation or service premises"** prior to the start of the project.

38. **"Leader locations"** means locations owned and operated by others who you depend on to attract customers to your business.

39. **"Malfunction"** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.

40. **"Manager"** means a person elected by the **"members"** to direct the limited liability company's business affairs.

41. **"Manufacturing locations"** means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.

42. **"Market value"** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.

43. **"Member"** means an owner of a limited liability company represented by its membership interest, who also may serve as a **"manager"**.

44. **"Merchandise"** means:

- a. Goods held for sale or installation by you which are not **"goods you have manufactured"**; and

- b. **"Goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.
45. **"Microorganism"** means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, **"fungus"**, wet or dry rot, virus, algae, or bacteria, or any by-product.
46. **"Mistake"** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.
47. **"Money"** means:
- Currency, coins, bullion, or bank notes, whether or not in current use; and
 - Travelers checks, register checks, food stamps, and money orders held for sale to the public.
48. **"Monthly leasehold interest"** means the original costs you paid for:
- Bonus Payments – **"Money"** you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
 - Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment	\$4,000
With 20 months left in the lease at the time of Bonus Payment	÷20
"Monthly leasehold interest"	\$200

49. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.
50. **"Net leasehold interest"** means the sum of:
- The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
 - Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000

"Net leasehold interest"

Subtotal a. + Subtotal b. \$9,526

51. **"Newly acquired premises"** means a permanently fixed location you own, lease, rent, or control. The location becomes a **"newly acquired premises"** on the later of:

- a. The date you obtain possession or control of the location; or
- b. The date **"real property"** or **"personal property"** in which you have an insurable interest is first placed at the location.

"Newly acquired premises" does not mean:

- a. A **"premises"**;
- b. An **"unreported premises"**;
- c. A **"reported unscheduled premises"**;
- d. A fair or exhibition;
- e. An **"installation or service premises"**;
- f. A **"rigging premises"**; or
- g. A **"temporary storage location"**.

52. **"Off-premises service interruption"** means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

53. **"Operations"** means:

- a. Your business activities occurring at the covered location prior to the physical loss or damage; and
- b. The covered location is tenantable prior to the physical loss or damage.

"Operations" does not mean:

- a. The activities of those with whom you do business;
- b. Investing or financing activities conducted for your own account; or
- c. **"Research and development operations"**.

54. **"Original information property"** means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Original information property" does not mean:

- a. **"Stock"**;
- b. **"Fine arts"**;
- c. **"Money"**;
- d. **"Securities"**;
- e. **"Electronic data processing hardware"**; or
- f. **"Research and development property"**.

55. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, grass, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**;
- d. **"Stock"**, or
- e. **"Green roofing systems"**.

56. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

57. "Personal property" means:

- a. "Your personal property";
- b. "Your employees' personal property";
- c. "Personal property of others" in your care, custody, or control;
- d. The value of labor, materials, or services furnished or arranged by you on "personal property of others";
- e. Your interest in "improvements and betterments" to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. "Outdoor trees, shrubs, plants, or lawns";
- d. "Green roofing systems";
- e. "Money", bills, notes, or "securities";
- f. Contraband or property in the course of illegal transportation or trade;
- g. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as "stock" while inside of buildings;
- h. "Fine arts";
- i. "Original information property";
- j. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a "premises" or "reported unscheduled premises";

But not:

- 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
- 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a "premises" or "reported unscheduled premises"; or
- 3) Unpowered watercraft while out of water on a "premises" or "reported unscheduled premises";
- k. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- l. "Research and development property".

58. "Personal property of others" means personal property not owned by you, your officers, directors, partners, "managers", "members", or employees (including leased or temporary employees).

59. "Pollutants" means any solid, liquid, gaseous, or thermal irritant, or "contaminant", including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

60. **"Premises"** means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **"time element coverage"**, **"premises"** includes those portions of the location not rented or intended to be rented to others.

61. **"Raw stock"** means material in the state in which you acquired it for conversion into **"finished stock"**.62. **"Real property"** means:

- a. Buildings, including their **"green roofing systems"**;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **"premises"** or **"reported unscheduled premises"**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

"Real property" does not mean:

- a. **"Fine arts"**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **"Outdoor trees, shrubs, plants, or lawns"**;
- g. **"Research and development property"**;
- h. **"Contractor's equipment"**;
- i. **"Contractor's employees' property"**;
- j. **"Installation property"**;
- k. **"Landscaping materials"**; or
- l. Property of others in your care, custody, or control for **"rigging"**.

63. **"Recipient locations"** means locations owned or operated by others, who you depend on to accept your products or services.64. **"Replacement cost"** means the lesser of:a. **Repair Cost**

The cost to repair the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance

with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the **"real property"** when those costs are a consequence of enforcement of such codes.

b. Rebuild Cost

The cost to rebuild the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. Replace Cost

The cost to replace the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and **"personal property"** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **"real property"** or **"personal property"**.

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of **"real property"** or **"personal property"** at the **"premises"** or **"reported unscheduled premises"**, and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, **"replacement cost"** includes the costs to demolish and clear the site of the undamaged portion of the **"real property"** or **"personal property"**.

"Replacement cost" does not mean:

- a. Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
- b. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by **"pollutants"** or due to the presence, growth, proliferation, spread, or any activity of **"microorganisms"**; or
- c. Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.

65. "Reported unscheduled premises" means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, business income, or extra expense to be covered; and
- c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;

- b. A **"newly acquired premises"**;
- c. An **"unreported premises"**;
- d. A fair or exhibition;
- e. An **"installation or service premises"**;
- f. A **"temporary storage location"**;
- g. A **"rigging premises"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

66. "Research and development continuing expenses" means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.

67. "Research and development extended period of indemnity" means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph **b.** of the Extended Period of Indemnity Additional Coverage; or
- b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

68. "Research and development operations" means your business activities where **"research and development property"** is being planned, created, developed, or tested.

69. "Research and development property" means:

- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
- b. Original or experimental property;
- c. Prototypes or samples;
- d. Experiments in progress;
- e. Biological products, processes, or cultures; and
- f. **"Research animals"**.

"Research and development property" does not mean:

- a. Animals, other than **"research animals"**;
- b. **"Money"**, bills, notes, or **"securities"**;
- c. **"Stock"**;
- d. **"Fine arts"**; or
- e. Growing plants or crops.

70. "Research animal" means any multi-cellular organism that is used in your **"research and development operations"**.

71. **"Rigging"** means rigging, hoisting, moving, erecting, lowering, and millwright work.

72. **"Rigging premises"** means a location for the purpose of:

- a. **"Rigging"**;
- b. Assembling or dismantling work done in connection with a **"rigging"** project; or
- c. Operations incidental to a **"rigging"**, assembling, or dismantling project.

73. **"Salespersons samples"** means **"personal property"** that is in the custody of one of your salespersons and used only for sample purposes.

74. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or property and includes:

- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

"Securities" does not mean:

- a. **"Money"**; or
- b. Lottery tickets held for sale.

75. **"Sinkhole collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

"Sinkhole collapse" does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **"flood"**; or
- c. Cost of filling sinkholes.

76. **"Specified causes of loss"** means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. **"Sinkhole collapse"**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:

- 1) **"Personal property"** in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
- m. Weight of snow, ice, or sleet;
- n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
- o. **"Equipment breakdown cause of loss"**, excluding loss of or damage to **"stock"** caused by the discharge, dispersal, release, or escape of refrigerants.

77. **"Stock"** means the following:

- a. **"Raw stock"**;
- b. **"Stock in process"**;
- c. **"Finished stock"**; and
- d. **"Merchandise"**.

78. **"Stock in process"** means **"raw stock"** which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become **"finished stock"**.

79. **"Suspended equipment"** means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.

80. **"Suspension"** means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the covered location is rendered untenable.

81. **"Temporary storage location"** means a permanently fixed location that you lease, rent, or occupy for a period of less than one year where **"stock"** or **"installation property"** that is to become a permanent part of an **"installation or service premises"** is stored while waiting to be delivered to an **"installation or service premises"** and there is a written construction or installation contract or agreement to install that **"stock"** or **"installation property"** at that **"installation or service premises"**.

"Temporary storage location" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition; or
- f. An **"unreported premises"**.

82. **"Time element coverage"** means the coverage provided under any of the following:

- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);

- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

83. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"installation or service premises"**;
- g. A **"temporary storage location"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

84. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

85. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"real property"** or **"personal property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "**specified cause of loss**", other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**microorganisms**".

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any "**off-premises service interruption**". Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**", "**malfunction**", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a "**covered cause of loss**", we will pay for that portion of the loss or damage which was solely caused by that "**covered cause of loss**".

This exclusion does not apply to "**electronic data processing hardware**" or "**duplicate information property**".

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of "**pollutants**". But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a "**specified cause of loss**", we will pay only for that portion of the loss or damage solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**pollutants**".

This exclusion does not apply to "**electronic data processing hardware**" or "**duplicate information property**".

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to "**stock**" caused by or resulting from a "**mistake**" or "**malfunction**" in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such "**stock**".
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,
- of part or all of any property on or off a **"premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

1. The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:
 - a. \$2,500 for furs, fur garments, and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- i. Jewelry or watches worth \$100 or less per item; or
- ii. Precious or semiprecious stones or metals used for industrial purposes.
- c. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

2. We will pay for direct physical loss of or damage to **"green roofing systems"** directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:
 - a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
 - b. Disease;
 - c. Changes in or extremes of temperature;
 - d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
 - e. Rain, snow, hail, ice, or sleet.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace the **"real property"** or **"personal property"** at the same or another location.
2. Except as provided in 3., 5., 6., and 7. below, **"real property"** or **"personal property"**, other than **"improvements and betterments"**, which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"real property"** or **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.

3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Improvements and betterments"** at:
 - a. The **"replacement cost"** if you make repairs with reasonable speed.
 - b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:
 - 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - 2) Divide the amount determined in 1) above by the number of days from the installation of **"improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.
 - c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.
6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
7. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

1. The amount of covered loss or damage at the **"premises"**; or
2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

1. Any Limit of Insurance applicable to more than one **"premises"**; or
2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.



Additional Coverages Form

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Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for **"stock"** under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to **"stock"** under the Consequential Loss--Undamaged Stock Additional Coverage, or any other Additional Coverage for **"stock"**.

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss--Net Leasehold Interest

We will pay for the loss of **"net leasehold interest"** you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**. We will not pay more than the **"net leasehold interest"** at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the **"premises"** or **"reported unscheduled premises"** under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the **"premises"** or **"reported unscheduled premises"** where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss--Tenant's Improvements and Betterments

We will pay for the value of undamaged **"improvements and betterments"** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

- a. At least 25% of the area of that entire building has been damaged; or
- b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

- a. A minimum of 6 months remains in your lease; and
- b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss--Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. Electronic Vandalism--Direct Damage

We will pay for loss of or damage to **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, **"original information property"** or **"research and development property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of covered loss of or damage to **"real property"** or **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property"** or **"personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
- b. In transit to or from fairs or exhibitions,

directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a **"covered cause of loss"**.

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 = \$ 3,200$	
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a **"premises"** or **"reported unscheduled premises"** are stolen; or
- b. Entry lock repair or replacement made necessary by theft or attempted theft at a **"premises"** or **"reported unscheduled premises"**.

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The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. **Microorganisms**

We will pay the following when **"microorganisms"** are the result of a **"covered cause of loss"**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **"microorganisms"**, including the cost of removal of the **"microorganisms"**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **"microorganisms"**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **"microorganisms"** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **"microorganisms"** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. **Newly Acquired Premises**

We will pay for direct physical loss of or damage to **"real property"** or **"personal property"** at a **"newly acquired premises"** directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. **Newly Acquired Property**

We will pay for direct physical loss of or damage to:

- a. Your newly acquired or constructed "**real property**" at a "**premises**" if coverage is not currently shown for "**real property**" at that "**premises**" on the Declarations; and
- b. Your newly acquired "**personal property**" at a "**premises**" if coverage is not currently shown for "**personal property**" at that "**premises**" on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of "**real property**" begins or completed "**real property**" or "**personal property**" is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of "**real property**" begins or "**personal property**" or completed "**real property**" is acquired.

The most we will pay under this Additional Coverage at any one "**premises**" is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption--Direct Damage

We will pay for direct physical loss of or damage to "**real property**" and "**personal property**" at a "**premises**" or "**reported unscheduled premises**" directly caused by an "**off-premises service interruption**". The interruption must result from direct physical loss or damage directly caused by a "**covered cause of loss**" to any property located away from the "**premises**" or "**reported unscheduled premises**" and used to provide any of the following services to the "**premises**" or "**reported unscheduled premises**":

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to "**outdoor trees, shrubs, plants, or lawns**" at a "**premises**" or "**reported unscheduled premises**" directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or
- e. Aircraft.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal--Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal--Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency; or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"**, other than **"salespersons samples"** or property in transit, at an **"unreported premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

**Accounts Receivable Coverage Form
(Revenue Loss)**



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Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)--Away From Premises

We will also pay for:

1. The **"money"** due you from customers that you are unable to collect;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"accounts receivable records"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"accounts receivable records"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"accounts receivable records"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **"accounts receivable records"**, the following method will be used to determine the amount of covered loss, damage, or expense:

1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

1. The amount of the accounts receivable for which there is no loss or damage;
2. The amount of the accounts receivable that you are able to re-establish or collect;
3. An amount to allow for probable bad debts that you are normally unable to collect; and
4. All unearned interest and service charges.



Fine Arts Coverage Form

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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

a. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1)** A "mistake" in planning, zoning, development, surveying, siting;
- 2)** A "mistake" in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3)** A "mistake" in materials used in repair, construction, renovation, or remodeling; or
- 4)** Insufficient or failure of maintenance or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"fine arts"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"fine arts"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"fine arts"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **"fine arts"** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**,

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "**specified cause of loss**", other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**microorganisms**".

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of "**pollutants**". But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a "**specified cause of loss**", we will pay only for that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**pollutants**".

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to "**fine arts**" caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **"Fine arts"** are valued based on the lesser of:

- a. **"Market value"** at the time of loss or damage; or
- b. The value of **"fine arts"** that are individually listed and described on the schedule on file with us.

2. **Pairs or Sets**

In case of loss to any part of a pair or set, we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between the value of the pair or set before and after the loss.



Installation and Service Property Coverage Form

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Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"installation or service premises"**; or
- b. In transit, to or from an **"installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

5. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **"real property"** containing covered **"personal property"** directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

6. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence

to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. **"Stock"** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:
 - 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off an **"installation or service premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off an **"installation or service premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to **"personal property"** that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for **"stock"** by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or

- b. The **"amount you actually spend"** to repair, rebuild, or replace Covered Property.
- 2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
- 3. **"Merchandise"** and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
- 4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
- 5. Covered Property which has been permanently removed from service at **"actual cash value"**.
- 6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
- 7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form

A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or

4) Insufficient or failure of maintenance or servicing,

of part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"original information property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"original information property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"original information property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

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We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged **"original information property"** at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your **"original information property"**. We will not include the cost of making additional copies.



Transit Coverage Form

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Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
 2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
 3. General average and salvage charges on shipments while waterborne,
- directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"installation or service premises"**;
5. **"Stock"** in transit to or from an **"installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a "**covered cause of loss**", we will pay for that portion of the loss or damage which was solely caused by that "**covered cause of loss**".

9. **Suspended Equipment**

We will not pay for loss or damage caused by or resulting from an "**equipment breakdown cause of loss**" to "**suspended equipment**". This exclusion applies even if this excluded cause of loss was caused by or resulted from a "**mistake**" or "**malfunction**".

But if a result of this excluded cause of loss is a "**covered cause of loss**", we will pay for that portion of the loss or damage which was solely caused by that "**covered cause of loss**".

10. **War and Military Action**

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. **DEDUCTIBLE**

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. **ADDITIONAL CONDITIONS**

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to "**personal property**" in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If "**personal property**" in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such "**personal property**" because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. **VALUATION**

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The "**replacement cost**"; or
 - b. The "**amount you actually spend**" to repair, rebuild, or replace "**personal property**".

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology

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Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology

A. COVERAGES

1. Business Income

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

2. Research and Development Continuing Expenses

We will pay for the actual and necessary **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"research and development operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which **"research and development operations"** are conducted and for which a Limit of Insurance is shown on the Declarations for Research and Development Continuing Expenses. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary **"suspension"**, or delay in the start, of your **"research and development operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to the **"premises"** where **"research and development operations"** are conducted. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** where the **"research and development continuing expenses"** are incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the "**premises**" where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a "**premises**" or "**reported unscheduled premises**" at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a "**covered cause of loss**".

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Delayed Net Income

We will pay for the actual loss of "**net income**" you sustain after the "**extended period of indemnity**".

We only pay if the following conditions apply:

- a. The loss of "**net income**" must be caused by direct physical loss of or damage to property directly related to "**research and development operations**" at a "**premises**" or "**reported unscheduled premises**" at which a Limit of Insurance is shown on the Declarations for Business Income and must result in a delay in the introduction of a new product or the enhancement of an existing product;
- b. The loss or damage must be directly caused by a "**covered cause of loss**";
- c. You begin to sustain the loss of "**net income**" within 24 months of the date of the direct physical loss of or damage to property; and
- d. You notify us in writing of such loss of "**net income**" within 24 months of the date of the direct physical loss or damage.

We will only pay the actual loss of "**net income**" you sustain during the period that:

- a. Begins on the first date after the "**extended period of indemnity**" on which you begin to sustain the loss of "**net income**"; and
- b. Continues for a period of time equal to the time it should have taken, with reasonable speed, to repair, rebuild, or replace the damaged property to the condition that existed prior to the loss or damage.

If a competitor introduces a similar product prior to the date you originally scheduled the introduction of a new or enhanced product, then the amount of the "**net income**" loss will be adjusted to reflect the competitor's action.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the "**premises**" or "**reported unscheduled premises**" where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

4. Electronic Vandalism

We will pay for the actual loss of **"business income"** you sustain and the actual and necessary **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"operations"** or **"research and development operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Business Income.

5. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form and subject to the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

6. Extended Period of Indemnity

- a. If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. If the necessary **"suspension"** of your **"research and development operations"** directly causes a suspension, lapse, or cancellation of any license, lease, or contract, including milestone contracts, we will pay the portion of **"research and development continuing expenses"** directly attributable to that suspension, lapse, or cancellation during the **"research and development extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

7. Fairs or Exhibitions

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Business Income.

8. Food and Drug Administration (FDA) Recertification--Business Income

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"operations"** and ends when the FDA approves and certifies the **"premises"** or **"reported unscheduled premises"** to resume your **"operations"** at the same level of certification that existed prior to the **"suspension"** of your **"operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

9. Food and Drug Administration (FDA) Recertification--Research and Development Continuing Expenses

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"research and development operations"** and ends when the FDA approves and certifies the **"premises"** to resume your **"research and development operations"** at the same level of certification that existed prior to the **"suspension"** of your **"research and development operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"research and development operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

10. Ingress/Egress

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual loss of **"business income"** you sustain must be caused by direct physical loss of or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"research and development operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** is physically obstructed due to direct physical loss or damage. The actual and necessary **"research and development continuing expenses"** you incur must be caused by direct physical loss of or damage to property not owned,

occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** where the **"research and development operations"** are conducted. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

11. Microorganisms

We will pay for the actual loss of **"business income"** you sustain due to the:

- a. Necessary **"suspension"** of your **"operations"** from direct physical loss of or damage to Covered Property caused by **"microorganisms"** when the **"microorganisms"** are the result of a **"covered cause of loss"**; or
- b. Prolonged **"period of restoration"** due to the remediation of **"microorganisms"** from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms--Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the **"microorganisms"** continue to be present, active, or recur.

12. Newly Acquired Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Business Income.

13. Reported Unscheduled Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Business Income.

14. Transit

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Business Income.

15. Unreported Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Business Income.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** and **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to any property other than:

- a. **"Research and development property";**
- b. **"Fine arts";**
- c. **"Original information property";**
- d. **"Outdoor trees, shrubs, plants, or lawns";**
- e. **"Green roofing systems";** or
- f. **"Personal property"** in transit.

2. Research and Development Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM apply to loss of **"business income"** and **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"research and development property"**.

3. **Fine Arts**

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"fine arts"**.

4. **Original Information Property**

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of **"business income"** and **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"original information property"**.

5. **Personal Property in Transit**

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of **"business income"** caused by or resulting from loss of or damage to **"personal property"** in transit.

6. **Finished Stock**

We will not pay for loss of **"business income"** caused by or resulting from:

- a. Loss of or damage to **"finished stock"**; or
- b. The time required to replace **"finished stock"**.

7. **Off-Premises Service Interruption**

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

8. **Suspension, Lapse, or Cancellation**

- a. We will not pay for any loss of **"business income"** caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"extended period of indemnity"**.
- b. We will not pay for any **"research and development continuing expenses"** incurred caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"research and development operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"research and development operations"**, we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the **"research and development extended period of indemnity"**.

D. LIMITATIONS**1. Idle Periods**

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverages, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"** or **"research and development operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"green roofing systems"** unless the loss or damage is directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** incurred in any one occurrence until the amount of loss or expense incurred exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of actual **"business income"** loss sustained or actual and necessary **"research and development continuing expenses"** incurred in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual **"business income"** loss sustained will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of **"net income"** will be determined based on:

- a. The **"net income"** of the business before the direct physical loss or damage occurred; and
- b. The likely **"net income"** of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of **"continuing expenses"** will be determined based on those expenses which are necessary to resume your **"operations"** with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"extended period of indemnity"**.

4. Resumption of Operations

We will reduce the amount of the **"business income"** loss and **"research and development continuing expenses"** paid:

- a. To the extent you could resume your **"operations"** or **"research and development operations"**, in whole or in part, by using damaged or undamaged property, including **"stock"**; or
- b. To the extent you could resume your **"operations"** or **"research and development operations"**, in whole or in part, by using any other location.

5. Research and Development Continuing Expenses

The amount of **"research and development continuing expenses"** incurred will be determined based on those expenses which are necessary to resume **"research and development operations"** of the same or similar nature that existed just before the direct physical loss or damage and which are incurred during the **"period of restoration"** or **"research and development extended period of indemnity"**.

6. Finished Stock and Merchandise

Lost or damaged **"finished stock"** or **"merchandise"** that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of "**business income**" is the lesser of:

- a. The amount of loss sustained during the 120 days immediately following the beginning of the "**period of restoration**"; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

2. Monthly Limit of Indemnity

The most we will pay for loss of "**business income**" in each period of 30 consecutive days after the beginning of the "**period of restoration**" is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

Example:

If:

- a. The Limit of Insurance is \$120,000.
- b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



Extra Expense Coverage Form

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Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Civil Authority when an order of civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Ingress/Egress, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual and necessary **"extra expense"** you incur must be caused by direct physical loss of or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;

- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Extra Expense.

4. Reported Unscheduled Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Extra Expense.

5. Unreported Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Extra Expense.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** incurred caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**; or
- d. **"Green roofing systems"**.

2. Fine Arts

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** incurred caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to **"extra expense"** incurred caused by or resulting from loss of or damage to **"original information property"**.

4. Off-Premises Service Interruption

We will not pay for **"extra expense"** incurred caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for **"extra expense"** incurred caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any **"extra expense"** incurred from such suspension, lapse, or cancellation which occurs after the **"period of restoration"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for **"extra expense"** incurred during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in **"extra expense"** incurred caused by delay in rebuilding, repairing, or replacing property or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for **"extra expense"** incurred caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for **"extra expense"** incurred caused by or resulting from loss of or damage to **"green roofing systems"** unless the loss or damage is directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any **"extra expense"** incurred in any one occurrence until the amount of **"extra expense"** incurred exceeds the applicable Deductibles shown on the Declarations. We will then pay the actual and necessary **"extra expense"** incurred in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual and necessary **"extra expense"** incurred will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of actual and necessary **"extra expense"** incurred will be determined based on:

- a. All **"extra expense"** that exceeds the normal operating expenses that would have been incurred by your **"operations"** during the **"period of restoration"** if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the **"extra expense"** that otherwise would have been incurred.

We will deduct from the total **"extra expense"** incurred the salvage value of any property bought for temporary use during the **"period of restoration"**, once **"operations"** are resumed.

3. Resumption of Operations

We will reduce the amount of **"extra expense"** paid to the extent you can return **"operations"** to normal and discontinue such **"extra expense"**.



Wind and Hail--Direct Damage and Time Element Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM**

- A.** The Wind and Hail--Direct Damage and Time Element Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
- B.** With respect to any **"premises"** at which a Wind and Hail--Direct Damage and Time Element Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by wind or hail, regardless of whether any other cause or event, including a **"mistake"**, **"malfunction"**, or another weather condition, contributes concurrently or in any sequence to the loss, the following applies:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Wind and Hail--Direct Damage and Time Element Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to the covered loss, damage, cost, or expense at each **"premises"**.

The Wind and Hail Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by wind or hail even if no other deductible applies to the **"time element coverage"**.



Dependent Premises Business Income Coverage--Scheduled Limits and Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE*

Name, Occupancy, and Location of "Dependent Premises"	Limit of Insurance	Deductible
---	--------------------	------------

"Contributing Locations":

"Recipient Locations":

"Manufacturing Locations":

KaGa Electronics, Hong Kong Room 1709-1710, 17/F Miramar Tower 132 Nathan Rd, Tsimshatsui, Kowloon, Hong Kong	\$ 5,000,000	\$ 500,000
De Anza Manufacturing Services 1271 Reamwood Avenue Sunnyvale, CA 94089	\$ 3,000,000	\$ 250,000
Diamond Phoenix Corp. Alfred Plourde Parkway Lewiston, ME 04241	\$ 5,000,000	\$ 500,000
UniPrecision Industrial Ltd. Heng Li, Shan Xia Gong Ye Qu, Dongguan, Guangdong	\$ 5,000,000	\$ 500,000

"Leader Locations":

*Information required to complete this Schedule, if not shown on this endorsement, will be shown on the Declarations.

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above at that **"dependent premises"**.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to a **"dependent premises"** described in the Schedule above. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** shown in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above for that **"dependent premises"**. This Limit is included in, and not in addition, to any other applicable Limits of Insurance.

If a Blanket Business Income and Extra Expense Limit of Insurance applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to the actual and necessary **"extra expense"** you incur for up to 30 days after an order of civil authority prohibits access to that **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a

"covered cause of loss". The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited. The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

D. DEDUCTIBLE

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, Section E. Deductible in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE), the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY, and the EXTRA EXPENSE COVERAGE FORM is replaced by the following:

We will not pay for any loss of **"business income"** or **"extra expense"** incurred in any one occurrence until the amount of loss or **"extra expense"** incurred exceeds the applicable Deductible shown in the Schedule above at that **"dependent premises"** where the loss or damage occurred. We will then pay the amount of actual **"business income"** loss sustained or actual and necessary **"extra expense"** incurred in excess of the Deductible, up to the applicable Limits of Insurance.

Any other deductible otherwise applicable to **"business income"** or **"extra expense"** does not apply to coverage provided by this endorsement.

E. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

- a. Sources of materials or services; or
- b. Outlets for your products or services,
available to you.

F. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins when the direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above occurs; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.



Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to a **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. This Limit is included in, and not in addition to, any other applicable Limit of Insurance.

If a Blanket Business Income and Extra Expense Limit of Insurance applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to the actual and necessary **"extra expense"** you incur for up to 30 days after an order of civil authority prohibits access to that **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

- a. Sources of materials or services; or
- b. Outlets for your products or services,

available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins when the direct physical loss of or damage to property at a **"dependent premises"** occurs; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.

- F. Coverage provided by this endorsement does not apply at any location at which **"business income"** coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM**

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage--Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Cloud facility"**;
2. **"Dependent premises"**;
3. Fairs or exhibitions;
4. **"Newly acquired premises"**;
5. **"Reported unscheduled premises"**;
6. **"Unreported premises"**; or
7. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by **"flood"** at any one **"premises"** is the Limit of Insurance shown on the Declarations for Flood for that **"premises"**.

2. Occurrence Limit

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by **"flood"**, regardless of the number of **"premises"** involved, is the occurrence Limit of Insurance shown on the Declarations for Flood.

3. Annual Aggregate Limit

The most we will pay for loss or damage caused directly or indirectly by **"flood"** in any one policy year, regardless of the number of occurrences or **"premises"** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Flood.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by **"flood"**, the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.



Off-Premises Service Interruption--Time Element

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
 BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
 (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
 COMMERCIAL PROPERTY DEFINITIONS
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Premises #	Water/ Sewer	POWER		COMMUNICATION	
		With Overhead T&D Property	Without Overhead T&D Property	With Overhead T&D Property	Without Overhead T&D Property
1	X		X		X
4	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those "**premises**" and "**reported unscheduled premises**" at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations:

a. The following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
 BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
 EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of "**business income**" you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an "**off-premises service interruption**". The interruption must result from direct physical loss or damage directly caused by a "**covered cause of loss**" to property:

- a. Located away from the "**premises**" or "**reported unscheduled premises**"; and
- b. Used to provide the services checked by an "X" in the Schedule above to the "**premises**" or "**reported unscheduled premises**".

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

b. The following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b.** Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b.** Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and

- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. Communication

Communication includes video, voice, and data, but does not include **"information technology services"**.

2. Power

Power includes all sources of power, including steam and natural gas.

3. Reported Unscheduled Premises (RUP)

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

4. T&D Property

The terms With Overhead T&D Property and Without Overhead T&D Property have the following meanings:

- a. With Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Without Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. ADDITIONAL COVERAGES

1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this

endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of "**business income**" and "**research and development continuing expenses**" covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM is extended to apply to "**extra expense**" covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"**Overhead transmission and distribution property**" means property located away from "**premises**" and "**reported unscheduled premises**" and used to provide power or communications services to "**premises**" and "**reported unscheduled premises**", which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"**Overhead transmission and distribution property**" does not mean satellites or any other orbiting equipment.

"**Transmission and distribution property**" means property located away from "**premises**" and "**reported unscheduled premises**" and used to provide power or communications services to "**premises**" and "**reported unscheduled premises**", which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"**Transmission and distribution property**" does not mean "**overhead transmission and distribution property**".

- E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of "**business income**", "**extra expense**", or "**research and development continuing expenses**" incurred in any one occurrence until the amount of loss or expense incurred exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of actual "**business income**" loss sustained or actual and necessary "**extra expense**" or "**research and development continuing expenses**" incurred in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property directly caused by a "**covered cause of loss**".

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to "**business income**", "**extra expense**", or "**research and development continuing expenses**" does not apply to coverage provided by this endorsement.



California Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

COMMERCIAL PROPERTY CONDITIONS

- A. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- B. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by a **"covered cause of loss"** other than fire:

This Commercial Property Coverage Part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- C. Except as provided in D. below, the Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form, or if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

- D. The Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect losses covered by the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

If we and you disagree on the amount of **"net income"** and **"continuing expenses"** or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of **"net income"** and **"continuing expenses"** or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.



Florida Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following provisions only apply with respect to "**premises**" and "**reported unscheduled premises**" in the state of Florida:

- A. The following provision applies when the Additional Condition--Coinsurance endorsement is applicable:

Florida Law states as follows:

Coinsurance contract: The rate charged in this Commercial Property Coverage Part is based upon the use of the coinsurance clause attached to this Commercial Property Coverage Part, with the consent of the insured.

- B. If wind is a "**covered cause of loss**" and loss or damage to Covered Property is caused by or resulting from wind, the following is added to Section B., Excluded Causes of Loss, in the REAL AND PERSONAL PROPERTY COVERAGE FORM and applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:
 - a. Indian River; and
 - b. St. Lucie.

Wind Exterior

We will not pay for loss or damage caused by or resulting from wind to paint or waterproofing material applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by wind in the course of the same wind event. But such coverage applies only if wind is a "**covered cause of loss**".

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Wind and Hail Deductible;
- b. The amount of Named Storm Deductible; or
- c. The value of Covered Property when applying the coinsurance percentage.

- C. Paragraph 6. in the Loss Payment Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:
6. If you have complied with all of the terms of this Commercial Property Coverage Part, we will pay for covered loss or damage upon the earliest of the following:
- a. Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
 - b. Within 30 days after we receive the sworn proof of loss; and
 - 1) There is an entry of a final judgment; or
 - 2) There is a filing of an appraisal award with us; or
 - c. Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90 day time period for payment of claim relates to the portion of the claims that is not denied.

This paragraph c. applies only to the following:

- 1) A claim under the Commercial Property Coverage Part covering residential property;
 - 2) A claim for "**real property**" or "**personal property**" coverage if the insured structure is 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida; or
 - 3) A claim for "**personal property**" coverage under a tenant's policy if the rented "**premises**" or "**reported unscheduled premises**" are 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida.
- D. The following are added to the COMMERCIAL PROPERTY DEFINITIONS with respect to coverage provided by this endorsement:

"**Catastrophic ground cover collapse**" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. "**Structural damage**" to the building, including the foundation; and
- d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

"**Catastrophic ground cover collapse**" does not mean:

- a. Damage consisting of the mere settling or cracking of a foundation, structure, or building;
- b. "**Sinkhole collapse**"; or
- c. "**Earth movement**".

"**Structural damage**" means a covered building, regardless of the date of its construction, has experienced the following:

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior

building structure or members becomes unfit for service or represent a safety hazard as defined within the Florida Building code;

- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the primary structural members or primary structural systems that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those primary structural members or primary structural systems exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings or similar structure, purpose, or **"premises"**;
 - c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical primary structural members to such extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing primary structural members or primary structural systems, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
- E. The definition of **"earth movement"** in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following with respect to coverage provided by this endorsement:
- "Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"** and **"catastrophic ground cover collapse"**.
- "Earth movement"** does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.
- F. The following is added to the definition of **"specified causes of loss"**:
- "Catastrophic ground cover collapse"**.

COMMERCIAL PROPERTY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to the CANCELLATION Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least 5 days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started, and
2. Have not been contracted for, within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.



General Liability Supplemental Coverage Endorsement Technology

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following changes apply to this Coverage Part. However, endorsements attached to this Coverage Part will supersede any provisions to the contrary in this General Liability Supplemental Coverage Endorsement.

A. Broadened Named Insured

1. The following is added to **Section II – Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- a. Is newly acquired or formed during the policy period;
- b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- c. Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the policy period.

2. The last paragraph of **Section II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph **3.** of **Section II – Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section **II – Who Is An Insured** does not apply to this provision to the extent that such paragraph would conflict with this provision.

C. Insured Status – Employees

Paragraph **2.a.(1)** of Section **II – Who Is An Insured** is replaced by the following:

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

However:

Paragraphs (1)(a) and (1)(d) do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" mean any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs (1)(a), (b) and (c) do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

D. Additional Insureds – Lessees of Premises

1. Section **II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

This provision does not apply after the person or organization ceases to lease or rent premises from you.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

2. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III – **Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph D.1. above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph D. shall not increase the applicable Limits of Insurance shown in the Declarations.

E. Additional Insured – Vendors

1. The following change applies if this Coverage Part provides insurance to you for "bodily injury" and "property damage" included in the "products-completed operations hazard":

Section II – **Who Is An Insured** is amended to include as an additional insured any person or organization (referred to throughout this Paragraph E. as vendor) who you have agreed in a written contract or written agreement, prior to loss, to name as an additional insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business:

However, the insurance afforded to such vendor:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

2. With respect to the insurance afforded to these vendors, the following additional exclusions apply:

- a. The insurance afforded the vendor does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (a) The exceptions contained in Subparagraphs (4) or (6); or
 - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- b. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

- c. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.
- 3. With respect to the insurance afforded to the vendor under this endorsement, the following is added to Section III – **Limits Of Insurance**:

The most we will pay on behalf of the vendor is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph E.1. above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph E. shall not increase the applicable Limits of Insurance shown in the Declarations.

F. Additional Insured – Managers, Lessors or Governmental Entity

- 1. **Section II – Who Is An Insured** is amended to include as an additional insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omission of those acting on your behalf; and resulting directly from:
 - a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
 - b. Ownership, maintenance, occupancy or use of premises by you; or
 - c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

- 2. This provision does not apply:

- a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
- b. To any person or organization included as an insured under Paragraph 3. of Section II – Who Is An Insured;
- c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
- d. To any:
 - (1) Owners or other interests from whom land has been leased by you; or
 - (2) Managers or lessors of premises, if:
 - (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or
 - (c) The premises are excluded under this Coverage Part.

- 3. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III – **Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph **F.1.** above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph **F.** shall not increase the applicable Limits of Insurance shown in the Declarations.

G. Damage to Premises Rented or Occupied by You

1. The last paragraph under Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage To Premises Rented To You Limit of Insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

2. Paragraph **6.** of Section **III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

H. Broadened Contractual Liability

The "insured contract" definition under the **Definitions** Section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph **(1)** above and supervisory, inspection, architectural or engineering activities.

I. Definition – Specific Perils

The following definition is added to the **Definitions** Section:

"Specific perils" means:

- a. Fire;
- b. Lightning;

- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Vandalism;
- h. Weight of snow, ice or sleet;
- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

J. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion e. of Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

- (1) Liability for damages that the insured would have in the absence of the contract or agreement; or
- (2) Liability for "personal and advertising injury" if:
 - (a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;
 - (b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and
 - (c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury" described in Paragraph (a) above, provided:

- (i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and
- (ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. Paragraph 2.d. of Section I – Supplementary Payments – Coverages A and B is replaced by the following:

- d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

3. The following is added to the paragraph directly following Paragraph 2.f. of Section I – Supplementary Payments – Coverages A and B:

Notwithstanding the provisions of Paragraph 2.e.(2) of Section I – Coverage B – Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

K. Internet and Multimedia Services

Exclusion j. of Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

Exclusions

This insurance does not apply to:

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider; and

arising out of goods, products or services provided by any insured to others.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

L. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B**:

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

M. Broadened Property Damage**1. Property Damage to Contents of Premises Rented Short-Term**

The paragraph directly following Paragraph **(6)** in Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III – Limits Of Insurance**.

2. Elevator Property Damage

- a.** The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

- b.** The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

- a.** The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraph **(4)** of this exclusion does not apply to "property damage" to equipment you borrow from others at a jobsite.

- b.** The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to equipment you borrow from others is \$25,000 per "occurrence".

N. Expected or Intended Injury or Damage

Exclusion **a.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

a. Expected Or Intended Injury Or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

O. Definitions – Bodily Injury

The "property damage" definition under the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

P. Electronic Data

Exclusion **p.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury" or physical injury to tangible property including all resulting loss of use of that property.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Q. Insured Status – Amateur Athletic Participants

Section **II – Who Is An Insured** is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

a. "Bodily injury" to:

(1) Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or

(2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or

b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:

(1) Your "employee", "volunteer worker" or any person you sponsor; or

(2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

R. Non-Owned Aircraft, Auto and Watercraft

Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

S. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

1. The "leased worker" and "temporary worker" definitions under the **Definitions** Section are replaced by the following:

"Leased worker" means a person leased to you by a "labor leasing firm" under a written agreement between you and the "labor leasing firm", to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

"Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".

2. The following definition is added to the **Definitions** Section:

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

- a. Employment agency, contractor or services;
- b. Professional employer organization; or
- c. Temporary help service.

T. Definition – Mobile Equipment

Paragraph **f.** of the "mobile equipment" definition under the **Definitions** Section is replaced by the following:

- f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

U. Definitions – Your Product and Your Work

The "your product" and "your work" definitions under the **Definitions** Section are replaced by the following:

"Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

"Your work":

a. Means:

- (1) Work, services or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

V. Priority Condition

The following paragraph is added to Section **III – Limits Of Insurance**:

In the event a claim is made or "suit" is brought against more than one insured seeking damages because of "bodily injury" or "property damage" caused by the same "occurrence" or "personal and advertising injury" caused by the same offense, we will apply the Limits of Insurance in the following order:

- (a) You;
- (b) Your "executive officers", partners, directors, stockholders, members, managers (if you are a limited liability company) or "employees"; and
- (c) Any other insured in any order that we choose.

W. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition.

You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

X. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. However, this insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

- (1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i) That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
- (ii) That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
- (iii) That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**; or
- (v) That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:

Equipment you borrow from others; or

Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.
- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

Y. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

Z. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part. The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest

AA. Liberalization Condition

The following condition is added to Section **IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise this Coverage Part to broaden coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in the state shown in the mailing address of your policy.

All other terms and conditions of this policy remain unchanged.

General Liability Supplemental Coverage Endorsement

Technology

Quick Reference



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Recording And Distribution Of Material Or Information In Violation Of Law Exclusion **ZURICH**

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph 2. **Exclusions** of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph 2. **Exclusions** of Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.

Employee Benefits Liability – Claims-Made Coverage Form

This Coverage Form provides *claims-made* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

- A. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of an act, error, or omission in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any "claim" and settle any "suit" that may result; but:

- (1) The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

- B. (1) This insurance applies to an act, error or omission only if:
- a. A "claim" arising out of the act, error or omission is first made against any "insured" during the policy period;
 - b. The act, error, or omission takes place in the "coverage territory";
 - c. The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a "claim" or "suit"; and
 - d. The act, error, or omission did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period.

- (2) A "claim" will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first. "All "claims" for damages to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any "insured".

2. Exclusions

This insurance does not apply to:

- A. "Bodily injury", "property damage", or "personal and advertising injury";
- B. Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;
- C. Any "claim" or "suit" arising out of discrimination or humiliation;
- D. Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;
- E. Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, disability benefits law, or similar laws;
- F. Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;
- G. Any "claim" or "suit" arising out of:
 - (1) Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";
 - (2) The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

- (3) Any investment activity, including the management, administration or disposition of assets of your "employee benefit programs"; or
 - (4) Failure of any investment to perform as represented by any "insured".
- H.** Any "claim" or "suit" arising out of an "insured's" liability as a fiduciary under:
- a.** The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or
 - b.** The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any "claim" we investigate or settle or "suit" we defend:

- A.** All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our insurance.
- B.** Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.
- C.** All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- D.** Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

- A.** The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - (1) "Insureds";
 - (2) "Claims" made or "suits" brought; or
 - (3) "Employees" or dependents or beneficiaries of "employees" making "claims" or bringing "suits".
- B.** The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

- C.** Subject to the Aggregate Limit provisions in **B.** above, the Each Claim Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".
- D.** The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

- (1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a "claim". To the extent possible, notice should include:
 - a.** How, when, and where the act, error, or omission took place;
 - b.** The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

Notice of an act, error, or omission is not notice of a "claim".

- (2) If a "claim" is received by any "insured", you must:
 - a.** Immediately record the specifics of the "claim" and the date received; and
 - b.** Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

- (3) You and any other involved "insured" must:
 - a.** Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "claim" or "suit";
 - b.** Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement, or defense of the "claim" or "suit"; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.
- (4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover under this Coverage Part, our obligations are limited as follows:

(1) Primary Insurance

This insurance is primary except when 2. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in 3. below.

(2) Excess Insurance

This insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an act, error, or omission on other than a claims-made basis, if:

- a. No Retroactive Date is shown in the Declarations of this insurance; or
- b. The other insurance has a policy period which continues after the Retroactive Date, if any, shown in the Declarations of this insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- i. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- ii. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

(3) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- (1) As if each Named Insured were the only Named Insured; and
- (2) Separately to each "insured" against whom "claim" is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- (2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

- (1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";
- (2) Handling records in connection with "employee benefit programs"; or
- (3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Claim" means:

The receipt by you of a demand for money or services which alleges an act, error, or omission in the "administration" of your "employee benefit programs."

E. "Coverage territory" means:

- (1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or
- (2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **E. 1.** above, or in a settlement to which we agree.

F. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

G. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

H. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

I. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- (1) False arrest, detention, or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- (4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
- (5) Oral or written publication, in any manner, of material that violates a person's right of privacy;
- (6) The use of another's advertising idea in your "advertisement"; or
- (7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. "Property damage" means:

- (1) Physical injury to tangible property, including all resulting loss of use of that property.
- (2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

K. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.



2012 General Liability Multistate Forms Revision

Notice to Policyholders

This is a summary of the major changes in your policy. No coverage is provided by this summary nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage, and other changes, are highlighted below. This notice does not reference every editorial change made in your policy. We have followed the policy sequence of provisions in setting out this material.

COMMERCIAL GENERAL LIABILITY COVERAGE FORMS

CG 00 01 04 13 AND CG 00 02 04 13

I. EXCLUSIONS

A. BROADENING OF COVERAGE

1. Coverage **A** – Exclusion **2.c.** (Liquor Liability) is revised to provide an exception with respect to allowing a person to bring alcoholic beverages onto the named insured's premises for consumption on the named insured's premises.
2. Coverage **A** – Exclusion **2.p.** (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

B. OTHER CHANGES

1. Coverage **A** – Exclusion **2.c.** (Liquor Liability) is revised to reinforce that the exclusion applies even if claims against an insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol.
2. Coverage **A** – Exclusion **2.g.** (Aircraft, Auto Or Watercraft) is revised to delete reference to "in the state".
3. Coverage **A** – Exclusion **2.q.** and Coverage **B** – Exclusion **2.p.** (Recording And Distribution Of Material Or Information In Violation Of Law) were previously added to your policy via mandatory endorsement. The endorsement contained an exclusion addressing injury or damage arising out of any action or omission that violates or is alleged to violate certain statutes, ordinances and regulations. This exclusion has been incorporated directly into your policy.
4. Coverage **B** – Exclusions **2.b.** and **2.c.** (Material Published With Knowledge Of Falsity and Material Published Prior To Policy Period) are revised to reference "in any manner", with respect to oral or written publication, for consistency with the definition of personal and advertising injury.

II. CONDITIONS

OTHER CHANGES

Condition **4.** (Other Insurance) is generally revised so that the insurance provided is excess over any for which the named insured has been added as an additional insured, whether by endorsement or any other means.

III. DEFINITIONS

OTHER CHANGES

1. Definition **2.** (Auto) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.
2. Definition **12.** (Mobile Equipment) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.

**OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE FORM -- COVERAGE
FOR OPERATIONS OF DESIGNATED CONTRACTOR
CG 00 09 04 13**

I. EXCLUSIONS

BROADENING OF COVERAGE

Exclusion **2.I.** (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

II. DEFINITIONS

OTHER CHANGES

1. Definition **1.** (Auto) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.
2. Definition **10.** (Mobile Equipment) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.

**LIQUOR LIABILITY COVERAGE FORMS
CG 00 33 04 13 AND CG 00 33 04 13**

WHO IS AN INSURED

BROADENING OF COVERAGE

We have included trusts as Named Insureds. In addition, trustees have been included as insureds but only with respect to their duties as trustees.

CG 00 35 04 13 – RAILROAD PROTECTIVE LIABILITY COVERAGE FORM

EXCLUSIONS

BROADENING OF COVERAGE

Exclusion **2.f.(3)(a)** (Pollution) is amended to expand the exception to the exclusion with respect to bodily injury or property damage arising out of fuel or lubricants for equipment used at the job location not just when they escape from such equipment.

**PRODUCTS/COMPLECATED OPERATIONS LIABILITY COVERAGE FORM
CG 00 37 04 13 AND CG 00 38 04 13**

I. EXCLUSIONS

BROADENING OF COVERAGE

1. Exclusion **2.c.** (Liquor Liability) is revised to provide an exception with respect to allowing a person to bring alcoholic beverages onto the named insured's premises for consumption on the named insured's premises.
2. Exclusion **2.I.** (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

II. DEFINITIONS

OTHER CHANGES

1. Exclusion **2.c.** (Liquor Liability) is revised to reinforce that the exclusion applies even if claims against an insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol.

2. Definition **1.** (Auto) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.
3. Definition **10.** (Mobile Equipment) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.

CG 00 39 04 13 – POLLUTION LIABILITY COVERAGE FORM DESIGNATED SITES
CG 00 40 04 13 – POLLUTION LIABILITY LIMITED COVERAGE FORM
DESIGNATED SITES

I. EXCLUSIONS

A. BROADENING OF COVERAGE

Exclusion **2.p.** (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

B. OTHER CHANGES

Exclusion (Aircraft, Auto, Rolling Stock Or Watercraft) is generally revised to reinforce that the exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

The exclusion is also revised to express that a land motor vehicle subject to compulsory or financial responsibility laws or other motor vehicle insurance laws will not be covered with respect to its over-the-road exposures.

II. DEFINITIONS

OTHER CHANGES

1. Exclusion **2.j.** (Aircraft, Auto, Rolling Stock Or Watercraft) is revised to delete reference to "in the state". (**CG 00 40** only)
2. Definition **1.** (Auto) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.
3. Definition (Mobile Equipment) is revised to delete reference to "in the state" with respect to where a vehicle is licensed or principally garaged.

CG 00 42 04 13 – UNDERGROUND STORAGE TANK POLICY DESIGNATED TANKS

EXCLUSIONS

BROADENING OF COVERAGE

Exclusion **2.i.** (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

CG 00 65 04 13 – ELECTRONIC DATA LIABILITY COVERAGE FORM

EXCLUSIONS

OTHER CHANGES

Exclusion **2.g.** (Infringement Of Intellectual Property Rights) is revised to delete the exception pertaining to the use of another's advertising idea.

MULTISTATE ENDORSEMENTS

A. BROADENING OF COVERAGE

1. Electronic Data Liability Endorsement **CG 04 37** is revised to introduce an exception to the electronic data exclusion in order to provide that the exclusion does not apply to liability for damages because of bodily injury.
2. Additional Insured – Owners, Lessees Or Contractors – Automatic Status For Other Parties When Required In Written Construction Agreement Endorsement **CG 20 38** is introduced to provide additional insured status to those parties whom the named insured is obligated in writing in a contract or agreement to name as an additional insured.
3. Druggists Endorsement **CG 22 69** is revised to introduce an exception for the administering of vaccinations.
4. Liquor Liability – Bring Your Own Alcohol Establishments Endorsement **CG 24 06** is introduced to provide coverage to insureds who permit any person to bring any alcoholic beverage on an insured's premises, for consumption on the insured's premises.

B. REDUCTIONS OF COVERAGE

1. Additional Insured – Users Of Golfmobiles Endorsement **CG 20 08** is revised to include a definition of the term golfmobile.
2. **Liquor Liability Exclusion Endorsements**
 The following endorsements are revised to indicate that the liquor liability exclusion will apply if a named insured permits any person to bring any alcoholic beverages on the named insured's premises, for consumption on the named insured's premises:
 - **CG 21 50** – Amendment Of Liquor Liability Exclusion (for use with Commercial General Liability Coverage Part)
 - **CG 21 51** – Amendment Of Liquor Liability Exclusion – Exception For Scheduled Premises Or Activities (for use with Commercial General Liability Coverage Part)
 - **CG 29 52** – Amendment Of Liquor Liability Exclusion (for use with Products/Completed Operations Liability Coverage Part)
 - **CG 29 53** – Amendment Of Liquor Liability Exclusion – Exception For Scheduled Premises Or Activities (for use with Products/Completed Operations Liability Coverage Part)
3. Total Pollution Exclusion For Designated Products Or Work Endorsement **CG 21 99** is introduced to exclude coverage with respect to bodily injury or property damage arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants which arises out of the product or work scheduled in the endorsement.
4. Amendment Of Personal And Advertising Injury Definition Endorsement **CG 24 13** is introduced to remove from the definition of personal and advertising injury the offense of oral and written publication, in any manner, of material that violates a person's right of privacy.

C. OTHER CHANGES

1. Limited Product Withdrawal Expense Endorsement **CG 04 36** is revised, in part, to reinforce that the Participation Percentage is indicated in the Schedule and to reflect that the cost of the insured's participation in each product withdrawal will be borne by the named insured when due.
2. Primary And Noncontributory – Other Insurance Condition Endorsement **CG 20 01** is introduced to revise the Other Insurance Condition to indicated that coverage is provided to an additional insured on a primary and noncontributory basis, provided that certain requirements are met.
3. **Additional Insured Endorsements**

The following additional insured endorsements are revised to indicate that when these endorsements are attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less:

- **CG 20 03** – Additional Insured – Concessionaires Trading Under Your Name
- **CG 20 05** – Additional Insured – Controlling Interest
- **CG 20 07** – Additional Insured – Engineers, Architects Or Surveyors
- **CG 20 10** – Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization
- **CG 20 11** – Additional Insured – Managers Or Lessors Of Premises
- **CG 20 12** – Additional Insured – State Or Governmental Agency Or Subdivision Or Political Subdivision – Permits Or Authorizations
- **CG 20 13** – Additional Insured – State Or Governmental Agency Or Subdivision Or Political Subdivision – Permits Or Authorizations Relating To Premises
- **CG 20 15** – Additional Insured – Vendors
- **CG 20 18** – Additional Insured – Mortgagee, Assignee Or Receiver
- **CG 20 23** – Additional Insured – Executors, Administrators, Trustees Or Beneficiaries
- **CG 20 24** – Additional Insured – Owners Or Other Interest From Whom Land Has Been Leased
- **CG 20 26** – Additional Insured – Designated Person Or Organization
- **CG 20 27** – Additional Insured – Co-owner Of Insured Premises
- **CG 20 28** – Additional Insured – Lessor Of Leased Equipment
- **CG 20 29** – Additional Insured – Grantor Of Franchise
- **CG 20 30** – Oil Or Gas Operations – Nonoperating, Working Interests
- **CG 20 31** – Additional Insured – Engineers, Architects Or Surveyors
- **CG 20 32** – Additional Insured – Engineers, Architects Or Surveyors Not Engaged By The Named Insured
- **CG 20 33** – Additional Insured – Owners, Lessees Or Contractors – Automatic Status When Required In Construction Agreement With You
- **CG 20 34** – Additional Insured – Lessor Of Leased Equipment – Automatic Status When Required In Lease Agreement With You
- **CG 20 35** – Additional Insured – Grantor Of Licenses – Automatic Status When Required By Licensor
- **CG 20 36** – Additional Insured – Grantor Of Licenses
- **CG 20 37** – Additional Insured – Owners, Lessees Or Contractors – Completed Operations
- **CG 29 35** – Additional Insured – State Or Governmental Agency Or Subdivision Or Political Subdivision – Permits Or Authorizations

4. Professional Services Endorsements

The following endorsements are revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured:

- **CG 21 16** – Exclusion – Designated Professional Services
- **CG 21 52** – Exclusion – Financial Services
- **CG 21 56** – Exclusion – Funeral Services
- **CG 21 57** – Exclusion – Counseling Services
- **CG 21 58** – Exclusion – Professional Veterinarian Services
- **CG 21 59** – Exclusion – Diagnostic Testing Laboratories
- **CG 22 24** – Exclusion – Inspection, Appraisal And Survey Companies
- **CG 22 32** – Exclusion – Professional Services – Blood Banks
- **CG 22 33** – Exclusion – Testing Or Consulting Errors And Omissions
- **CG 22 34** – Exclusion – Construction Management Errors And Omissions
- **CG 22 36** – Exclusion – Products And Professional Services (Druggists)
- **CG 22 37** – Exclusion – Products And Professional Services (Optical And Hearing Aid Establishments)
- **CG 22 39** – Exclusion – Camps Or Campgrounds
- **CG 22 43** – Exclusion – Engineers, Architects Or Surveyors Professional Liability

- **CG 22 44** – Exclusion – Services Furnished By Health Care Providers
 - **CG 22 45** – Exclusion – Specified Therapeutic Or Cosmetic Services
 - **CG 22 48** – Exclusion – Insurance And Related Operations
 - **CG 22 69** – Druggists
 - **CG 22 71** – Colleges Or Schools (Limited Form)
 - **CG 22 72** – Colleges Or Schools
 - **CG 22 75** – Professional Liability Exclusion – Computer Software
 - **CG 22 76** – Professional Liability Exclusion – Health Or Exercise Clubs Or Commercially Operated Health Or Exercise Facilities
 - **CG 22 77** – Professional Liability Exclusion – Computer Data Processing
 - **CG 22 79** – Exclusion – Contractors – Professional Liability
 - **CG 22 80** – Limited Exclusion – Contractors – Professional Liability
 - **CG 22 87** – Exclusion – Adult Day Care Centers
 - **CG 22 88** – Professional Liability Exclusion – Electronic Data Processing Services And Computer Consulting Or Programming Services
 - **CG 22 90** – Professional Liability Exclusion – Spas or Personal Enhancement Facilities
 - **CG 22 91** – Exclusion – Telecommunication Equipment Or Service Providers Errors And Omissions
 - **CG 22 96** – Limited Exclusion – Personal And Advertising Injury – Lawyers
 - **CG 22 98** – Exclusion – Internet Service Providers And Internet Access Providers Errors And Omissions
 - **CG 22 99** – Professional Liability Exclusion – Web Site Designers
 - **CG 23 01** – Exclusion – Real Estate Agents Or Brokers Errors Or Omissions
 - **CG 31 15** – Construction Project Management Protective Liability Coverage
5. Exclusion – Volunteer Workers Endorsement **CG 21 66** is revised to delete reference to "in the state" from Exclusion **2.g.** (Aircraft, Auto Or Watercraft).
 6. Exclusion – Failure To Supply Endorsement **CG 22 50** is revised to expressly state that the exclusion also applies to the failure of any insured to adequately supply biofuel.
 7. Pesticide Or Herbicide Applicator Coverage Endorsements **CG 22 64** and **CG 28 12** and Lawn Care Services Coverage Endorsement **CG 22 93** are revised to reflect a change in titles to Herbicide Applicator – *Limited Pollution* Coverage endorsements and Lawn Care Services – *Limited Pollution* Coverage.
 8. Real Estate Property Managed Endorsement **CG 22 70** is revised to reinforce that the insurance provided is excess over any other insurance available, whether such insurance is primary or excess.
 9. Colleges Or Schools Endorsements **CG 22 71** and **CG 22 72** are revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.
 10. Waiver Of Governmental Immunity Endorsement **CG 24 14** is revised to reference that the endorsement also applies to the Owners And Contractors Protective Liability Coverage Part and the Railroad Protective Liability Coverage Part.
 11. Amendment Of Insured Contract Definition Endorsement **CG 24 26** and Limited Contractual Liability – Railroads Endorsement **CG 24 27** are revised to reflect that the defined term insured contract addresses certain liability assumed by the named insured with respect to the tort liability of another party to the extent the assumption of the tort liability is permitted by law.
 12. Designated Locations(s) Aggregate Limit Endorsement **CG 25 14** is introduced to make a separate Designated Location Aggregate Limit available for each location of the insured listed in the Schedule of the endorsement.
 13. Supplemental Extended Reporting Period Endorsement **CG 27 10** and Supplemental Extended Reporting Period Endorsement For Specific Accidents, Products, Work Or Locations Endorsement **CG 27 11** are revised to amend Condition **4.** (Other Insurance) so that the insurance provided is excess over any for which the named insured has been added as an additional insured, whether by endorsement or any other means.
 14. Principals Protective Liability Coverage Endorsement **CG 28 07** is revised to delete reference to "in the state" from Exclusion **2.c.(1)(e)(i).**

15. Liquor Liability Exclusion Endorsements

The following endorsements are revised to reinforce that the exclusion applies even if claims against an insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol:

- **CG 21 50** – Amendment Of Liquor Liability Exclusion (for use with Commercial General Liability Coverage Part)
- **CG 21 51** – Amendment Of Liquor Liability Exclusion – Exception For Scheduled Premises Or Activities (for use with Commercial General Liability Coverage Part)
- **CG 29 52** – Amendment Of Liquor Liability Exclusion (for use with Products/Completed Operations Liability Coverage Part)
- **CG 29 53** – Amendment Of Liquor Liability Exclusion – Exception For Scheduled Premises Or Activities (for use with Products/Completed Operations Liability Coverage Part)

ZURICH N.A. PROPRIETARY MULTISTATE ENDORSEMENTS

1. U-GL-393 Exclusion - Liquor Liability and Alcohol Consumption Health Hazards**BROADENING OF COVERAGE**

Coverage **A** – Exclusion **2.c.** (Liquor Liability) is revised to provide an exception with respect to allowing a person to bring alcoholic beverages onto the named insured's premises for consumption on the named insured's premises.

OTHER CHANGES

Exclusion **2.c.** (Liquor Liability) is revised to reinforce that the exclusion applies even if claims against an insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol.

2. U-GL-655 Clinical Testing Exclusion**OTHER CHANGES**

This endorsement was revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

3. U-GL-1060 Contractors Liability Supplemental Coverages And Conditions**BROADENING OF COVERAGE**

1. The **Additional Insured – Lessor Of Leased Equipment – Automatic Status When Required In Lease Agreement With You** Section has been added to provide coverage similar to the coverage provided by ISO endorsement CG 20 28.

2. The **Additional Insured – Managers Or Lessors Of Premises** Section has been added to provide coverage similar to the coverage provided by ISO endorsement CG 20 11.

3. The **Additional Insured – State Or Governmental Agency Or subdivision Or Political Subdivision – Permits Or Authorizations** Section has been added to provide coverage similar to the coverage provided by ISO endorsement CG 20 12.

4. The **Amendment – Duties In The Event of Occurrence, Offense, Claim or Suit** Section has been broadened to state that the reporting of an "occurrence" to a workers compensation carrier is not considered a violation of the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition under certain circumstances.

OTHER CHANGES

1. The **Who Is An Insured** Sections of U-GL-1060 have been moved to U-GL-1518.

2. The **Non-owned Watercraft Liability Extended Coverage** Section is revised to include a Schedule that provides an option to change the 51 feet watercraft length default.

3. The items relating to revising the peril of fire to "specific perils" have been grouped under the **Damage To Premises Rented Or Occupied By You** Section.

4. U-GL-1081 Additional Insured-Owners, Lessees or Contractors (Primary Insurance)**OTHER CHANGES**

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Finally, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

5. U-GL-1175 Additional Insured – Automatic – Owners, Lessees Or Contractors**OTHER CHANGES**

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

Finally, the Architects and Engineers Exclusion in this endorsement was revised to expressly address, in part, claims alleging negligence or the wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

6. U-GL-1177 Additional Insured – Owners, Lessees Or Contractors – Scheduled Person Or Organization**OTHER CHANGES**

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

Finally, the Architects and Engineers Exclusion in this endorsement was revised to expressly address, in part, claims alleging negligence or the wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

7. U-GL-1321 Broad Form Additional Insured Coverage – Owners, Lessees Or Contractors – Scheduled Person or Organization**OTHER CHANGES**

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

Finally, the Architects and Engineers Exclusion in this endorsement was revised to expressly address, in part, claims alleging negligence or the wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

8. U-GL-1327 Other Insurance Amendment – Primary and Noncontributory

OTHER CHANGES

This endorsement has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

9. U-GL-1445 Electrical Contractors Liability Coverage Enhancement

BROADENING OF COVERAGE

Coverage A – Exclusion 2.p. (Electronic Data) is revised to introduce an exception for liability for damages because of bodily injury.

10. U-GL-1452 Printers Errors and Omissions Liability Including Cost to Correct and Expenses of Withdrawal or Inspection Coverage

BROADENING OF COVERAGE

The Electronic Data exclusion is revised to introduce an exception for liability for damages because of bodily injury.

OTHER CHANGES

The word "monitoring" has been added to **Recording and Distribution of Material or Information of Law** exclusion (Exclusion **t**) for clarity.

11. U-GL-1453 Printers Errors and Omissions Liability and Expenses of Withdrawal or Inspection Coverage

BROADENING OF COVERAGE

The Electronic Data exclusion is revised to introduce an exception for liability for damages because of bodily injury.

OTHER CHANGES

The word "monitoring" has been added to **Recording and Distribution of Material or Information of Law** exclusion (Exclusion **t**) for clarity.

12. U-GL-1461 Additional Insured – Automatic – Owners, Lessees Or Contractors – Products-Completed Operations Liability Amendment

OTHER CHANGES

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

Finally, the Architects and Engineers Exclusion in this endorsement was revised to expressly address, in part, claims alleging negligence or the wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

13. U-GL-1462 Additional Insured – Owners, Lessees Or Contractors – Products-Completed Operations Liability Amendment – Scheduled Person Or Organization

OTHER CHANGES

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

Finally, the Architects and Engineers Exclusion in this endorsement was revised to expressly address, in part, claims alleging negligence or the wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

14. U-GL-1465 Additional Insured – Owners, Lessees Or Contractors – Ongoing Operations – Scheduled

OTHER CHANGES

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

15. U-GL-1466 Additional Insured – Owners, Lessees Or Contractors – Completed Operations – Scheduled

OTHER CHANGES

This additional insured endorsement has been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

16. U-GL-1477 General Liability Extended Coverages

OTHER CHANGES

This endorsement contains two additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

17. U-GL-1484 Contractor's Pollution Liability Endorsement

BROADENING OF COVERAGE

The Electronic Data exclusion is revised to introduce an exception for liability for damages because of bodily injury.

OTHER CHANGES

This endorsement was revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured.

The word "monitoring" has been added to **Recording and Distribution of Material or Information of Law** exclusion for clarity.

18. U-GL-1489 Heating And Air Conditioning Contractor Liability

Coverage Enhancement

BROADENING OF COVERAGE

The Electronic Data exclusion is revised to introduce an exception for liability for damages because of bodily injury.

19. U-GL-1504 General Liability Supplemental Coverage Endorsement – Real Estate – Enhancement

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

20. U-GL-1505 General Liability Supplemental Coverage Endorsement – Real Estate – Class A

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

21. U-GL-1506 General Liability Supplemental Coverage Endorsement – Real Estate – Trophy Asset

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

22. U-GL-1513 Interior Trade Contractor Liability Coverage Enhancement

BROADENING OF COVERAGE

The Electronic Data exclusion is revised to introduce an exception for liability for damages because of bodily injury.

23. U-GL-1517 Recording and Distribution of Material or Information of Law Exclusion

OTHER CHANGES

The word "monitoring" has been added to **Recording and Distribution of Material or Information of Law** exclusion for clarity.

24. U-GL-1330 Financial Institutions Extension

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

25. U-GL-1345 General Liability Supplemental Coverage Endorsement

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

26. U-GL-1369 General Liability Supplemental Coverage Endorsement Technology

OTHER CHANGES

This endorsement contains three additional insured provisions that have been revised to indicate that when this endorsement is attached to a policy, if coverage provided to the additional insured is required by contract or agreement, coverage to the additional insured will be afforded to the extent permissible by law and to the extent the named insured is required by the contract or agreement to provide insurance for the additional insured.

Additionally, if coverage provided to the additional insured is required by contract or agreement, the limits of insurance of the named insured's policy that are available to an additional insured will be limited to the extent required by the contract or agreement or the amount of insurance available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

Also, the Primary and Noncontributory wording has been revised to be consistent with the new ISO CG2001- Primary and Noncontributory – Other Insurance Condition Endorsement.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: CPO 5912284-02

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC

Policy Period: Coverage begins 09-01-2014 at 12:01 A.M.; Coverage ends 09-01-2015 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Business Description:**Item 2. Limits of Insurance**GENERAL AGGREGATE LIMIT \$ 5,000,000PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT \$ 5,000,000EACH OCCURRENCE LIMIT \$ 1,000,000DAMAGE TO PREMISES
RENTED TO YOU LIMIT \$ 1,000,000 Any one premisesMEDICAL EXPENSE LIMIT \$ 10,000 Any one personPERSONAL AND ADVERTISING INJURY LIMIT \$ 1,000,000 Any one person or
organization**Item 3. Retroactive Date (CG 00 02 ONLY)**This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense
which occurs before the Retroactive Date, if any, shown here: NONE

(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations****Item 5. Schedule of Forms and Endorsements**

Form(s) and Endorsement(s) made a part of this Policy at time of issue:

See Schedule of Forms and Endorsements**Item 6. Premiums**Coverage Part Premium: \$ 69,099.00

Other Premium:

Total Premium: \$ 69,099.00

EMPLOYEE BENEFIT LIABILITY COVERAGE PART - CLAIMS MADE DECLARATIONS

Policy Number: CPO 5912284-02

Named Insured: OMNICELL INC

Policy Period: Coverage begins 09-01-2014 at 12:01 A.M.; Coverage ends 09-01-2015 at 12:01 A.M

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Limits of Insurance\$ 3,000,000 Aggregate Limit\$ 1,000,000 Each Claim Limit**Item 2. Form of Business:**

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation
☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate	Advance Premium
<u>92100</u>	<u>600</u>	\$ <u>INCL</u> Per Employee	\$ <u>INCL</u>
		\$ <u>INCL</u> Flat Charge	\$ <u>INCL</u>

Total Advance Premium For This Coverage Part: \$ INCLAudit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly**Forms And Endorsements Applicable To This Coverage Part:****SEE SCHEDULE OF FORMS AND ENDORSEMENTS****Retroactive Date:**9/01/2012 (Enter date or "None" if no Retroactive Date applies)

This insurance does not apply to damages caused by an act, error, or omission which occurred before the Retroactive Date, if any, shown above.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
- (1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
 provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
- you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage **C**;
- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** — Coverage **A** — Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** and **Coverage B - Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.

Premium And Reports Agreement – Composite Rated Policies



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:

Commercial General Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Owners Contractors Protective Coverage Part
Railroad Protective Coverage Part

Schedule

1. Unit of Exposure:

- Gross sales	- Area	- Gallons
- Each	- Rooms	- General Liability Payroll
- Admissions	- Units	- Rounds played
- Total Cost	- Total Operating Expenditures	- Occupied rooms
- Licensed Autos	- Workers Compensation Payroll	⌘ Other - Domestic sales only - Foreign sales excluded

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
COMPUTER MFG.	\$340,500,000		
PREMISES/OPERATIONS		.139	\$47,330
PRODUCTS/COMPLETED		.051	\$17,366
OPERATIONS		Total Rate = .19	TOTAL = \$64,696
EMPLOYEE BENEFITS LIABILITY			\$457
SUPPLEMENTAL COVERAGE			\$2,591 FLAT CHG
TERRORISM		2% of GL Premium	\$1,355

(Add more rows as required)

3. Deposit Premium:

\$64,696

4. Minimum Premium:

\$51,757

Condition **5, Premium Audit**, of Section **IV, Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.
- b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.
- c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.
- d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.
- e. The units of exposure shown in the Schedule are defined as follows:
 1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
 2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
 3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
 4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
 5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
 6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less than 10 holes will be counted as a half round toward the total number of rounds of golf played.
 9. **Each** means the total number of exposure units as described in the exposure basis.
 10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
 11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
 12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
 13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
 14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
 15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement

COMMERCIAL GENERAL LIABILITY
CG 32 34 01 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.



Deductible Endorsement Claims-Made

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: \$ 1,000

1. The deductible amount stated above shall be deducted from the amount of all "claims" arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per "claim" basis. The Aggregate Limit will not be reduced by the application of such deductible.
2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
 - a. Our rights and duties with respect to the defense of "suits"; and
 - b. The "insured's" duties in the event of an act, error, or omission or a "claim" or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION – COMPUTER SOFTWARE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any service described above.

- B.** With respect to the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, Exclusion **2.b. Contractual Liability** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- b.** "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** Paragraph **A.2.b.** of the Common Policy Conditions, **Cancellation**, is changed to read as follows:
- b.** 45 days before the effective date of cancellation if we cancel for any other reason.
- B.** Paragraph **A.4.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
- 4.** Notice of cancellation will state the effective date of, and reason(s) for, the cancellation. The policy period will end on that date.
- C.** Paragraph **A.5.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
- 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.
- If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.
- The cancellation will be effective even if we have not made or offered a refund.
- D.** The following is added to Paragraph **A.** of the Common Policy Conditions, **Cancellation**:
- 7.** If this policy provides Personal Injury Protection, Property Damage Liability Coverage or both and:
- a.** It is a new or renewal policy, it may not be cancelled by the first Named Insured during the first 60 days immediately following the effective date of the policy or renewal, except for one of the following reasons:
- (1)** The covered "auto" is completely destroyed such that it is no longer operable;
- (2)** Ownership of the covered "auto" is transferred; or
- (3)** The Named Insured has purchased another policy covering the motor vehicle insured under this policy.
- b.** It is a new policy, we may not cancel it during the first 60 days immediately following the effective date of the policy for nonpayment of premium unless a check used to pay us is dishonored for any reason or any other type of premium payment is subsequently determined to be rejected or invalid.

E. The following condition is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you notice at least 45 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
2. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
3. Notice of nonrenewal will state the reason(s) for the nonrenewal and the effective date of nonrenewal. The policy period will end on that date.



THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:	
Automobile	\$515.00

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ('TRIA')

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses..

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

POLICY NUMBER: CPO 5912284-02

COMMERCIAL AUTO

ZURICH AMERICAN INSURANCE COMPANY

1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER:

MARSH RISK & INSURANCE SERVICES

NAMED INSURED:

OMNICELL INC
(SEE NAMED INSURED ENDORSEMENT)

MAILING ADDRESS:

590 E MIDDLEFIELD RD
MOUNTAIN VIEW, CA 94043-4008

POLICY PERIOD:

From 09-01-2014 to 09-01-2015 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER:

CPO 5912284-01

FORM OF BUSINESS:☒ CORPORATION☐ LIMITED LIABILITY COMPANY☐ INDIVIDUAL☐ PARTNERSHIP☐ OTHER _____

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$ 52,046.93

AUDIT PERIOD (IF APPLICABLE)	<input checked="" type="checkbox"/>	ANNUALLY	<input type="checkbox"/>	SEMI-ANNUALLY	<input type="checkbox"/>	QUARTERLY	<input type="checkbox"/>	MONTHLY
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ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 – Broad Form Nuclear Exclusion (not Applicable in New York) (IL 01 98 in Washington)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED _____

(Date)

BY _____

(Authorized Representative)

ITEM TWO

Schedule Of Coverages And Covered Autos

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM
COVERED AUTOS LIABILITY	1	\$1,000,000	\$ 35,007
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE PROPERTY PROTECTION INSURANCE ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS	2	\$ 5,000 EACH INSURED	\$ 536
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS	2	SEE ENDT	\$ 1,600
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	2	SEE ENDT	INCL
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	2, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See ITEM FOUR For Hired or Borrowed Autos.	\$ 4,104
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See ITEM FOUR For Hired Or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	2, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE, FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$ 9,197
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO.	
TAX/SURCHARGE/FEE			\$ 78.93
PREMIUM FOR ENDORSEMENTS			\$ 1,524
*ESTIMATED TOTAL PREMIUM			\$ 52,046.93

*This policy may be subject to final audit.

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION				TERRITORY		Original Cost New
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)				Town & State Where The Covered Auto Will Be Principally Garaged		
CA1	2006, DODGE SPRINTER 2500, WD0PD744465916868				MOUNTAIN VIEW CA, 053		\$ 35,755 ACV
CA2	2006, DODGE SPRINTER 2500, WD0PD744865930336				MOUNTAIN VIEW CA, 053		\$ 35,755 ACV
LA3	2011, TOYOTA SIENNA LE, 5TDKK3DC3BS153030				MANDEVILLE LA, 120		\$ 28,900 ACV
CA4	2012, TOYOTA SIENNA LE, 5TDKK3DC3CS182044				LIVERMORE CA, 075		\$ 29,700 ACV
FL5	2006, FORD F150, 1FTRF12266NA15219				SAINT PETERSBURG FL, 106		\$ 23,325 ACV
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA1	50	C	8,550	9	All Others	034990	
CA2	50	C	8,550	9	All Others	034990	
LA3				4		739800	
CA4				3		739800	
FL5	50	C	10,000	9	All Others	034990	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	COVERED AUTOS LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA1	\$ 1,000,000	\$ 1,704					
CA2	\$ 1,000,000	\$ 1,704					
LA3	\$ 1,000,000	\$ 2,899					
CA4	\$ 1,000,000	\$ 1,150					
FL5	\$ 1,000,000	\$ 4,669					
Total Premium		\$ 12,126					

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Continued)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)		UNINSURED MOTORISTS		UNDERINSURED MOTORISTS
	Limit Each Insured	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person	Premium	Limit	Premium	Premium
CA1	\$5,000	\$ 83			\$ 1,000,000	\$ 126	INCL
CA2	\$5,000	\$ 83			\$ 1,000,000	\$ 126	INCL
LA3	\$5,000	\$ 114			\$ 1,000,000	\$ 628	INCL
CA4	\$5,000	\$ 43			\$ 1,000,000	\$ 207	INCL
FL5	\$5,000	\$ 213			\$ 1,000,000	\$ 513	INCL
Total Premium		\$ 536				\$ 1,600	INCL
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement Premium
CA1	\$ 1,000	\$ 42			\$ 1,000	\$ 161	
CA2	\$ 1,000	\$ 42			\$ 1,000	\$ 161	
LA3	\$ 1,000	\$ 112			\$ 1,000	\$ 301	
CA4	\$ 1,000	\$ 50			\$ 1,000	\$ 335	
FL5	\$ 1,000	\$ 65			\$ 1,000	\$ 102	
Total Premium		\$ 311				\$ 1,060	

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	AL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	CA	\$ 1,200,000	\$ 21,444
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	FL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	IL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	KS	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	LA	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			\$ 21,444

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$1,200,000	\$ 3,768
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$1,200,000	\$ 8,112
TOTAL HIRED AUTO PREMIUM				
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 100 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	IF ANY	\$ 25
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	IF ANY	\$ 25
TOTAL HIRED AUTO PREMIUM				\$ 11,930
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Cost Of Hire Rating Basis For Mobile Or Farm Equipment – Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL HIRED AUTO PREMIUM					
Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment -- Physical Damage Coverages						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.				
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.				
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL HIRED AUTO PREMIUM						
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL HIRED AUTO PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP COVERED AUTOS LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	600	\$ 1,437
	Number Of Partners (Active and Inactive)		
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
TOTAL NON-OWNERSHIP COVERED AUTOS LIABILITY PREMIUM			\$ 1,437

ITEM SIX**SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS**

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concerns
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Covered Autos Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

1. Amounts paid to air, sea or land carriers operating under their own permits.
2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V – Definitions**.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured"; or
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

b. Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
 - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or

- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
 2. A sidetrack agreement;
 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
 1. Damages because of "bodily injury" or "property damage"; or
 2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.
 "Suit" includes:
 - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

COMMERCIAL AUTO
CA 01 22 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****KANSAS CHANGES**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Kansas, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. Paragraph **2.b.(4)** of the **Who Is An Insured** provision of the Auto Dealers Coverage Form does not apply.
3. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

Employee Indemnification And Employers' Liability

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Fellow Employee** Exclusion is replaced by the following:

Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

- d. The **Care, Custody Or Control** Exclusion is replaced by the following:

Care, Custody Or Control

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- e. The following is added to the **War** Exclusion:

This exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- f. The **Racing** Exclusion does not apply.
- g. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

4. Our Limit of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

B. Changes In Physical Damage Coverage

1. The "Diminution In Value" Exclusion does not apply.
2. The Limits Of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

C. Changes In Conditions

1. The following is added to the **Loss Payment – Physical Damage Coverages** Condition:

An "auto" shall be deemed a total "loss" when such "auto" is required to be registered in this state and has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

2. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

We will not pay under this coverage form if you or any other "insured" in relation to an insurance application, rating, claim or coverage under this policy knowingly and with intent to defraud:

- a. Presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement which such person knows to contain materially false information concerning any material fact; or

- b. Conceals information concerning any material fact for the purpose of misleading.

3. The **Appraisal For Physical Damage Loss** Condition is replaced by the following:

Appraisal For Physical Damage Loss

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both you and we agree, voluntarily, to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

An appraisal decision will be binding.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, California, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The term "spouse" is replaced by the following:
Spouse or registered domestic partner under California law.
- B. The following are added to the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form and supersede any provisions to the contrary:
 - 1. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident", a person described in Paragraph 1.b. is operating an "auto" owned by the business described in Paragraph 1.a., then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph 1.a. is excess over any coverage available to that person.
 - 2. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident", a person described in Paragraph 1.b. is operating an "auto" owned by the business described in Paragraph 1.a., then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph 1.a. is excess over any coverage available to that person.
 - 3. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:
 - a. One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators; and
 - b. The other provides coverage to a person other than as described in Paragraph 3.a.; and
 - c. At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph 3.a., and who is not the agent or "employee" of such Named Insured, is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph 3.a., then the liability coverage provided by the Coverage Form or policy described in Paragraph 3.b. is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph 3.a. is excess over any coverage available to that person.

4. Notwithstanding Paragraph **B.3.**, when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:
- a. One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and
 - b. The other provides coverage to a Named Insured not engaged in that business; and
 - c. At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.**, then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".
- C. As used in this endorsement:
- "Commercial vehicle" means an "auto" subject to registration or identification under California law which is:
1. Used or maintained for the transportation of persons for hire, compensation or profit;
 2. Designed, used or maintained primarily for the transportation of property; or
 3. Leased for a period of six months or more.

POLICY NUMBER: CPO 5912284-02

COMMERCIAL AUTO
CA 21 48 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****LOUISIANA UNINSURED MOTORISTS
COVERAGE – BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Louisiana, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided under this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy or as of the date indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. If this insurance provides a limit in excess of the amounts required by the applicable law where a covered "auto" is principally garaged, we will pay only after all liability bonds or policies have been exhausted by payments of judgments or settlements.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

- d. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- 2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" with the Named Insured's express or implied permission a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
 - c. Anyone else "occupying" an "auto" the Named Insured does not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.

C. Exclusions

This insurance does not apply to:

- 1. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 2. "Bodily injury" sustained by an "insured" while "occupying" or struck by any vehicle owned by that "insured" that is not a covered "auto".
- 3. Punitive or exemplary damages.
- 4. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.

- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage as follows:

- 1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of insurance bears to the total of all applicable limits. However, with respect to "bodily injury" sustained by an "insured":

- a. While "occupying" a vehicle owned by that person or while not "occupying" any vehicle, the maximum recovery for damages sustained by an "insured" as a Named Insured or "family member" may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy.
- b. While "occupying" a vehicle not owned by that person, the following priorities of recovery will apply:
 - (1) The uninsured motorists coverage applicable to the vehicle the "insured" was "occupying" at the time of the "accident" will be primary.
 - (2) If the primary insurance is exhausted, any excess recovery for damages sustained by an "insured" as a Named Insured or "family member" may equal but not exceed the highest applicable limit for any one vehicle under this Coverage Form or any other Coverage Form or policy. In no instance will more than one uninsured motorists coverage limit be available as excess insurance.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

3. Transfer Of Rights Of Recovery Against Others To Us does not apply to vehicles described in Paragraph **b.** of the definition of "uninsured motor vehicle".

4. The following condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, arbitration will take place only if we and the "insured" agree, voluntarily, to have the matter arbitrated. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the parish in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. Any decision of the arbitrators will not be binding on either party.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption, who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

- a. For which no liability bonds or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
- b. Which is an underinsured motor vehicle. An underinsured motor vehicle means a land motor vehicle or "trailer" to which a liability bond or policy affording coverage for "bodily injury" applies at the time of the accident, but the amount paid for "bodily injury" under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages;
- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d. Which is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must either:
 - (1) Hit an "insured", a covered "auto" or a vehicle the "insured" is "occupying"; or
 - (2) Cause "bodily injury" to an "insured" without any actual physical contact with the "insured", a covered "auto" or a vehicle the "insured" is "occupying". However, in such cases, the "insured" must show, by an independent and disinterested witness, that the "bodily injury" resulted from the actions of an unidentified motorist.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency; or
- b. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-02

COMMERCIAL AUTO
CA 21 54 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA UNINSURED MOTORISTS COVERAGE –
BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, California, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle".
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

However, Exclusion **4.** shall not apply to "bodily injury" sustained by an individual Named Insured or "family member" when struck by a vehicle owned by that "insured" and operated or caused to be operated by a person without that "insured's" consent in connection with criminal activity that has been documented in a police report and to which that "insured" is not a party to.

5. "Bodily injury" sustained by an individual Named Insured or any "family member" while "occupying" any vehicle leased by that Named Insured or any "family member" under a written contract for a period of six months or more that is not a covered "auto".
6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
7. "Bodily injury" sustained by an "insured" while "occupying" any "auto" that is rented or leased to that "insured" for use as a public or livery conveyance. However, this exclusion does not apply if the "insured" is in the business of providing public or livery conveyance.
8. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.
2. For a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", our Limit of Insurance shall be reduced by all sums paid because of "bodily injury" by or for anyone who is legally responsible, including all sums paid or payable under this policy's Covered Autos Liability Coverage.
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for California Uninsured Motorists Coverage – Bodily Injury as follows:

1. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Send us copies of the legal papers if a "suit" is brought. In addition, a person seeking coverage under Paragraph **b.** of the definition of "uninsured motor vehicle" must:
 - (1) Provide us with a copy of the complaint by personal service or certified mail if the "insured" brings an action against the owner or operator of such "uninsured motor vehicle";
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by us or furnish us copies at our expense; and
 - (3) Provide us with proof that the limits of insurance under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Legal Action Against Us is replaced by the following:

Legal Action Against Us

No legal action may be brought against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form and with respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle" unless within two years from the date of the "accident":

- a. Agreement as to the amount due under this insurance has been concluded;
- b. The "insured" has formally instituted arbitration proceedings against us. In the event that the "insured" decides to arbitrate, the "insured" must formally begin arbitration proceedings by notifying us in writing, sent by certified mail, return receipt requested; or

- c. "Suit" for "bodily injury" has been filed against the uninsured motorist in a court of competent jurisdiction.

Written notice of the "suit" must be given to us within a reasonable time after the "insured" knew, or should have known, that the other motorist is uninsured. In no event will such notice be required before two years from the date of the accident. Failure of the "insured" or his or her representative to give us such notice of the "suit" will relieve us of our obligations under this Coverage Form only if the failure to give notice prejudices our rights.

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

Transfer Of Rights Of Recovery Against Others To Us

- a. With respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle", if we make any payment, we are entitled to recover what we paid from other parties. Any person to or for whom we make payment must transfer to us his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
- b. With respect to Paragraph **b.** of the definition of "uninsured motor vehicle", if we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. Other Insurance in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this Coverage Form is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

5. The following condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", the disagreement will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. However, disputes concerning coverage under this endorsement may not be arbitrated. Each party will bear the expenses of the arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. The decision of the arbitrator will be binding.

F. Additional Definitions

The following are added to the **Definitions** section:

1. "Family member" means the individual Named Insured's spouse, whether or not a resident of the individual Named Insured's household, and any other person related to such Named Insured by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

- a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the Limit of Insurance for this coverage;
- c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
- d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
- e. That is owned by an individual Named Insured or "family member" and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by the United States of America, Canada, a state or political subdivision of any of those governments or an agency of any of the foregoing; or
- c. Designed or modified for use primarily off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-02

COMMERCIAL AUTO
CA 21 72 10 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FLORIDA UNINSURED MOTORISTS
COVERAGE – NONSTACKED**

For a covered “auto” licensed or principally garaged in, or “garage operations” conducted in, Florida, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:** \$ 1,000,000**Each “Accident”**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the “insured” is legally entitled to recover as compensatory damages from the owner or driver of an “uninsured motor vehicle”. The damages must result from “bodily injury” sustained by the “insured” caused by an “accident”. The owner’s or driver’s liability for these damages must result from the ownership, maintenance or use of the “uninsured motor vehicle”.
2. With respect to damages resulting from an “accident” with a vehicle described in Paragraph **b.** of the definition of “uninsured motor vehicle”, we will pay under this coverage only if Paragraph **a.** or **b.** below applies:
 - a. The limit of any applicable liability bonds or policies has been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an “insured” and the insurer of the “underinsured motor vehicle” and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification.

3. Any judgment for damages arising out of a “suit” brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are “insureds”:
 - a. The Named Insured and any “family members”.

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

- 1. Any claim settled or judgment reached without our consent, unless our right to recover payment has not been prejudiced by such settlement or judgment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph b. of the definition of an "uninsured motor vehicle".
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by a vehicle owned by that individual Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy; or

- d. Any "insured" with respect to damages for pain, suffering, mental anguish or inconvenience unless the "bodily injury" consists in whole or in part of:

- (1) Significant and permanent loss of an important bodily function;
- (2) Permanent injury within a reasonable degree of medical probability, other than scarring or disfigurement;
- (3) Significant and permanent scarring or disfigurement; or
- (4) Death.

- 5. Punitive or exemplary damages.

- 6. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.
- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Liability Coverage form, No-fault Coverage endorsement, Medical Payments Coverage endorsement, or Uninsured Motorists Coverage endorsement attached to this Coverage Part.
- 3. We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.
- 4. We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage Nonstacked as follows:

1. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

a. If there is other applicable insurance available under one or more coverage forms, policies or provisions of coverage, any recovery for damages sustained by an individual Named Insured or any “family member”:

(1) While “occupying” a vehicle owned by that Named Insured or any “family member” may equal, but not exceed, the limit of insurance for Uninsured Motorists Coverage applicable to that vehicle.

(2) While “occupying” a vehicle not owned by that Named Insured or any “family member” may equal, but not exceed, the sum of:

(a) The limit of insurance for Uninsured Motorists Coverage applicable to the vehicle such Named Insured or any “family member” was “occupying” at the time of the “accident”; and

(b) The highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to such Named Insured or any “family member”.

(3) While not “occupying” any vehicle may equal, but not exceed, the highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to an individual Named Insured or any “family member”.

b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this coverage form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved; and

b. Promptly send us copies of the legal papers if a “suit” is brought.

c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing by certified or registered mail of a tentative settlement between the “insured” and the insurer of the vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle” and allow us 30 days to advance payment to that “insured” in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

If we make any payment and the “insured” recovers from another party, the “insured” shall hold the proceeds in trust for us and pay us back the amount we have paid.

Our rights do not apply under this provision with respect to Uninsured Motorists Coverage if we:

a. Have been given prompt written notice of a tentative settlement between an “insured” and the insurer of a vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”; and

b. Fail to advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification:

a. That payment will be separate from any amount the “insured” is entitled to recover under the provisions of Uninsured Motorists Coverage; and

b. We also have a right to recover the advanced payment.

4. The following condition is added:

a. Arbitration

- (1) If we and an "insured" do not agree:
 - (a) Whether that person is legally entitled to recover damages under this endorsement; or
 - (b) As to the amount of damages that are recoverable by that person;

Then the matter may be mediated, in accordance with the Mediation Provision contained in General Conditions, if the damages resulting from "bodily injury" are for \$10,000 or less, or arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- (2) Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- (3) Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

b. Florida Arbitration Act

If we and an "insured" agree to arbitration, the **Florida Arbitration Act** will not apply.

c. Mediation

- (1) In any claim filed by an "insured" with us for:
 - (a) "Bodily injury" in an amount of \$10,000 or less, arising out of the ownership, operation, use or maintenance of a covered "auto";
 - (b) "Property damage" in any amount, arising out of the ownership, operation, maintenance or use of a covered "auto"; or
 - (c) "Loss" to a covered "auto" or its equipment, in any amount;
 either party may make a written demand for mediation of the claim prior to the institution of litigation.

- (2) A written request for mediation must be filed with the Florida Department of Financial Services on an approved form, which may be obtained from the Florida Department of Financial Services.
- (3) The request must state:
 - (a) Why mediation is being requested.
 - (b) The issues in dispute, which are to be mediated.
- (4) The Florida Department of Financial Services will randomly select mediators. Each party may reject one mediator, either before or after the opposing side has rejected a mediator. The mediator will notify the parties of the date, time and place of the mediation conference. The mediation conference will be held within 45 days of the request for mediation. The conference will be held by telephone, if feasible. Participants in the mediation conference must have the authority to make a binding decision, and must mediate in good faith. Each party will bear the expenses of the mediation equally, unless the mediator determines that one party has not mediated in good faith.
- (5) Only one mediation may be requested for each claim unless all parties agree to further mediation. A party demanding mediation shall not be entitled to demand or request mediation after a suit is filed relating to the same facts already mediated.
- (6) The mediation shall be conducted as an informal process and formal rules of evidence and procedures need not be observed.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy applies at the time of an "accident";

- b.** That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which a "bodily injury" liability bond or policy applies at the time of an "accident" but the amount paid under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages caused by the "accident";
- c.** For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d.** For which neither the driver nor owner can be identified. The land motor vehicle or "trailer" must:
 - (1)** Hit an individual Named Insured or any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying"; or
 - (2)** Cause an "accident" resulting in "bodily injury" to an individual Named Insured or any "family member" without hitting that Named Insured, any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying".

If there is no physical contact with the land motor vehicle or "trailer", the facts of the "accident" must be proved. We will only accept competent evidence other than the testimony of a person making claims under this or any similar coverage.

However, "uninsured motor vehicle" does not include any vehicle:

- a.** Owned by a governmental unit or agency;
- b.** Designed for use mainly off public roads while not on public roads; or
- c.** Owned by or furnished or available for the regular use of the Named Insured, or if the Named Insured is an individual, any "family member" unless it is a covered "auto" to which the coverage form's Liability Coverage applies and liability coverage is excluded for any person or organization other than the Named Insured, or if the Named Insured is an individual, any "family member".

COMMERCIAL AUTO
CA 04 24 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for Auto Medical Payments Coverage as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



Coverage Extension Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

- The following is added to the **Who Is An Insured** Provision in **Section II – Covered Autos Liability Coverage**:

The following are also "insureds":

- Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.
 - Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.
 - Anyone else who furnishes an "auto" referenced in Paragraphs **A.1.a.** and **A.1.b.** in this endorsement.
 - Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the Limits of Insurance shown in the Declarations, whichever is less.
- The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary and Excess Insurance Provisions Condition** in the Motor Carrier Coverage Form:

Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non-contributory basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Covered Autos Liability Coverage** are replaced by the following:

- Up to \$5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section II – Covered Autos Liability Coverage** does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the **Racing** Exclusion in **Section II – Covered Autos Liability Coverage**:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

- a. Any amount paid under the **Physical Damage Coverage** Section of the Coverage Form; and
- b. Any:
 - (1) Overdue lease or loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

Paragraph **A.2.** of the **Physical Damage Coverage** Section is replaced by the following:

We will pay up to \$75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Coverage Extension** for **Loss Of Use Expenses** in the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".
- However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

- a. We will pay up to \$750 for "loss" to personal effects which are:
 - (1) Personal property owned by an "insured"; and
 - (2) In or on a covered "auto".
- b. Subject to Paragraph **a.** above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
 - (1) The reasonable cost to replace; or
 - (2) The actual cash value.
- c. The coverage provided in Paragraphs **a.** and **b.** above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
 - (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
 - (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
 - (3) Paintings, statuary and other works of art.
 - (4) Contraband or property in the course of illegal transportation or trade.
 - (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

- 1. The Exclusion in Paragraph **B.4.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.2.c.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply.
- 2. The following is added to Paragraph **1.a. Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

- (a) Are the property of an "insured"; and
- (b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is \$500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is \$5,000 or the deductible shown in the Declarations, whichever is greater.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

Temporary Substitute Autos – Physical Damage

If Physical Damage Coverage is provided by this Coverage Form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

1. Breakdown;
 2. Repair;
 3. Servicing;
 4. "Loss"; or
 5. Destruction.
2. The following is added to the Paragraph **A. Coverage** Provision of the **Physical Damage Coverage** Section:

Temporary Substitute Autos – Physical Damage

We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any

agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

- (1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

- (1) Fail to disclose any hazards existing at the inception date of this Coverage Form; or
- (2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph **7a.(5)** of the **Policy Period, Coverage Territory** Condition is replaced by the following:

- (5) Anywhere in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

T. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

U. Expected Or Intended Injury

The **Expected Or Intended Injury** Exclusion in Paragraph **B. Exclusions** under **Section II – Covered Auto Liability Coverage** is replaced by the following:

Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

V. Physical Damage – Additional Temporary Transportation Expense Coverage

Paragraph **A.4.a. of Section III – Physical Damage Coverage** is replaced by the following:

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$50 per day to a maximum of \$1,000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

W. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto

The following is added to Paragraph **A. Coverage** of the **Physical Damage Coverage** Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of \$2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquefied. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

X. Return of Stolen Automobile

The following is added to the **Coverage Extension** Provision of the **Physical Damage Coverage** Section:

If a covered "auto" is stolen and recovered, we will pay the cost of transport to return the "auto" to you. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

COMMERCIAL AUTO
CA 99 03 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

2013 Commercial Auto Multistate Forms Revision Advisory Notice To Policyholders



This is a summary of the major changes to your policy. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy or endorsements. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Highlighted below are areas within the Policy that broaden, reduce or reinforce coverage. This notice does not reference every change, including editorial changes, made in your policy.

COVERAGE FORMS

REINFORCEMENTS OF COVERAGE

Revision To "Liability Coverage" Form References

CA 00 01 – Business Auto Coverage Form

CA 00 20 – Motor Carrier Coverage Form

References to "Liability Coverage" that pertain to auto liability in the Business Auto Coverage Form and Motor Carrier Coverage Form are replaced with "Covered Autos Liability Coverage" to distinguish such coverage from the other types of liability coverages that may be included in your policy.

Revisions To Physical Damage Coverage

CA 00 01 – Business Auto Coverage Form

CA 00 05 – Motor Carrier Coverage Form

The Limits Of Insurance provision under Physical Damage Coverage is reinforced to reflect that "loss" rather than "accident" triggers coverage under this section.

MULTISTATE ENDORSEMENTS

BROADENINGS OF COVERAGE

NEW OPTIONAL ENDORSEMENTS

CA 23 30 – Motor Carrier Endorsement

In general, this endorsement may be used to convert the Business Auto Coverage Form into a Motor Carrier Coverage Form for autos used in your operations as a motor carrier.

EXISTING OPTIONAL ENDORSEMENTS

CA 20 54 – Employee Hired Autos

This endorsement is revised to reinforce that any employee of yours is an insured while operating a rental or hired vehicle taken out in another employee's name for the purposes of performing duties related to the conduct of your business and with your permission.

CA 99 16 – Hired Autos Specified As Covered Auto You Own

This endorsement has been revised to remove the wording which limits coverage with respect to the lessor solely to liability arising out of the acts or omissions of the lessee or anyone else acting on the lessee's behalf.

CA 99 37 – Garagekeepers Coverage

Spouses of partners, managers of limited liability companies and executive officers are included as insureds with respect to the conduct of your garage operations.

UCA 424 – Coverage Extension Endorsement

This endorsement has been revised to:

- A.** Reinforce that an employee of yours is an insured under Covered Autos Liability Coverage while operating an “auto” hired or rented under a contract or agreement in that employee’s name, with your permission, while performing duties related to the conduct of your business;
- B.** Extend Insured status under Covered Autos Liability Coverage to any person(s) or organization(s) where required by written contract or written agreement including those person(s) or organization(s) directing your work. Such coverage will apply on a primary and non-contributory basis with any insurance maintained by the additional “insured” on an excess basis;
- C.** Reinforce that the Expected Or Intended Injury Exclusion under the Covered Autos Liability Coverage does not apply if the bodily injury or property damage results from reasonable force to protect persons or property;
- D.** Include payment of up to \$50 per day, to a maximum of \$1000, for temporary transportation expense incurred by you in the event of a total theft of a covered "auto" of the private passenger type when Comprehensive or Specified Cause of Loss Coverage is selected;
- E.** Revises the Physical Damage Coverage to provide for payment of an additional 10% of the cost of a replacement auto, up to \$2500, if, in the event of a total loss to a covered auto of the private passenger type, the covered auto is replaced with a hybrid auto or an auto powered by an alternative fuel source. Qualifications for consideration as a hybrid auto or auto powered by an alternative fuel source are described within the endorsement; and
- F.** Include payment for the cost of transport to return a stolen auto that has been recovered to you, provided you carry either Comprehensive or Specified Causes of Loss Coverage on the auto.

REINFORCEMENTS OF COVERAGE

EXISTING OPTIONAL ENDORSEMENTS

- CA 01 21 – Limited Mexico Coverage**
- CA 02 38 – Reinstatement Of Insurance**
- CA 02 40 – Suspension Of Insurance**
- CA 03 01 – Deductible Liability Coverage**
- CA 03 02 – Deductible Liability Coverage**
- CA 04 42 – Exclusion Of Federal Employees Using Autos In Government Business**
- CA 04 44 – Waiver Of Transfer Of Rights Of Recovery Against Others To Us (Waiver Of Subrogation)**
- CA 04 45 – Golf Carts And Low-speed Vehicles**
- CA 20 01 – Lessor – Additional Insured And Loss Payee**
- CA 20 02 – Audio, Visual And Data Electronic Equipment Coverage – Fire, Police And Emergency Vehicles**
- CA 20 05 – Drive-away Contractors**
- CA 20 06 – Driving Schools – Non-owned Autos**
- CA 20 07 – Emergency Services – Volunteer Firefighters' And Workers' Injuries Limited Exclusion**
- CA 20 08 – Farm Tractors And Farm Tractors Equipment**
- CA 20 09 – Leasing Or Rental Concerns – Contingent Coverage**
- CA 20 10 – Leasing Or Rental Concerns – Conversion, Embezzlement Or Secretion Coverage**

CA 20 11 – Leasing Or Rental Concerns – Exclusion Of Certain Leased Autos
CA 20 12 – Leasing Or Rental Concerns – Rent-it-there/Leave-it-here Autos
CA 20 13 – Leasing Or Rental Concerns – Schedule Of Limits For Owned Autos
CA 20 14 – Leasing Or Rental Concerns – Second Level Coverage
CA 20 15 – Mobile Equipment
CA 20 16 – Mobile Homes Contents Coverage
CA 20 17 – Mobile Homes Contents Not Covered
CA 20 18 – Professional Services Not Covered
CA 20 19 – Repossessed Autos
CA 20 21 – Snowmobiles
CA 20 27 – Registration Plates Not Issued For A Specific Auto
CA 20 30 – Emergency Services – Volunteer Firefighters' And Workers' Injuries Excluded
CA 20 33 – Autos Leased, Hired, Rented Or Borrowed With Drivers – Physical Damage Coverage
CA 20 48 – Designated Insured (Newly titled Designated Insured For Covered Autos Liability Coverage)
CA 20 54 – Employee Hired Autos
CA 20 55 – Fellow Employee Coverage
CA 20 56 – Fellow Employee Coverage For Designated Employees/Positions
CA 20 70 – Coverage For Certain Operations In Connection With Railroads
CA 20 71 – Auto Loan/Lease Gap Coverage
CA 23 01 – Explosives
CA 23 03 – Multi-purpose Equipment
CA 23 04 – Rolling Stores
CA 23 05 – Wrong Delivery Of Liquid Products
CA 23 08 – Truckers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos (Newly titled Motor Carriers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos)
CA 23 09 – Truckers – Insurance For Non-trucking Use (Newly titled Motor Carriers – Insurance For Non-trucking Use)
CA 23 12 – Truckers – Named Lessee As Insured (Newly titled Motor Carriers – Named Lessee As Insured)
CA 23 13 – Trailer Interchange Fire And Fire And Theft Coverages
CA 23 17 – Truckers – Uniform Intermodal Interchange Endorsement Form UIIE-1
CA 23 24 – Agricultural Produce Trailers – Seasonal
CA 23 25 – Coverage For Injury To Leased Workers
CA 23 94 – Silica Or Silica-related Dust Exclusion For Covered Autos Exposure
CA 23 97 – Amphibious Vehicles
CA 24 01 – Transportation Of Seasonal Or Migrant Agricultural Workers
CA 24 02 – Public Transportation Autos
CA 99 03 – Auto Medical Payments Coverage
CA 99 10 – Drive Other Car Coverage – Broadened Coverage For Named Individuals
CA 99 13 – Fiduciary Liability Of Banks
CA 99 14 – Fire, Fire And Theft, Fire, Theft And Windstorm And Limited Specified Causes Of Loss Coverages
CA 99 16 – Hired Autos Specified As Covered Autos You Own
CA 99 17 – Individual Named Insured
CA 99 23 – Rental Reimbursement Coverage

CA 99 28 – Stated Amount Insurance

CA 99 30 – Tapes, Records And Discs Coverage

CA 99 33 – Employees As Insureds

CA 99 34 – Social Service Agencies – Volunteers As Insureds

CA 99 37 – Garagekeepers Coverage

CA 99 40 – Exclusion Or Excess Coverage Hazards Otherwise Insured

CA 99 44 – Loss Payable Clause

CA 99 47 – Employee As Lessor

CA 99 48 – Pollution Liability – Broadened Coverage For Covered Autos – Business Auto, Motor Carrier And Truckers Coverage Forms (Newly titled Pollution Liability – Broadened Coverage For Covered Autos – Business Auto And Motor Carrier Coverage Forms)

CA 99 54 – Covered Auto Designation Symbol

CA 99 59 – Garagekeepers Coverage – Customers' Sound-receiving Equipment

CA 99 60 – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 61 – Loss Payable Clause – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 90 – Optional Limits – Loss Of Use Expenses

These forms have been revised, where appropriate, to:

- A. Add reference to "Auto Dealer Coverage Form" and delete references to the "Business Auto Physical Damage Coverage Form", "Garage Coverage Form" and/or "Truckers Coverage Form" in the list of the coverage forms to which the endorsement modifies; and/or
- B. Replace references to "Liability Coverage" with respect to auto liability with "Covered Autos Liability Coverage" to distinguish such coverage from the other types of liability coverages included in your policy.

CA 23 97 – Amphibious Vehicles

This endorsement, in general, is revised to reinforce that insurance is not applicable to amphibious vehicles while being launched into, used in or beached from the water. This includes, but is not limited to, coverages such as liability and physical damage coverages.

CA 23 98 – Trailer Interchange Coverage

The Supplementary Payments provision is revised to reinforce that it applies to **court** costs taxed against the insured that do not include the attorneys' fees or expenses taxed against the insured.

A definition of the term "trailer" is added to reinforce that such term includes a semitrailer, container or a dolly used to convert a semitrailer into a trailer.

CA 99 28 – Stated Amount Insurance

CA 99 60 – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 61 – Loss Payable Clause – Audio, Visual And Data Electronic Equipment Coverage Added Limits

Various provisions and schedules applicable to physical damage coverage have been reinforced to reflect that "loss" rather than "accident" triggers coverage under this section.

REDUCTION IN COVERAGE

UCA 424 – Coverage Extension Endorsement

The Extended Glass Coverage under this endorsement has been revised to require the deductible, which is shown in the Declarations, if glass must be replaced rather than repaired. However, if glass can be repaired, the waiver of the deductible remains.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ('OFAC') regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site - <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

EXHIBIT D

**COMMON POLICY DECLARATIONS**

Policy Number CPO 5912284-03
 Named Insured and Mailing Address
 OMNICELL INC
 (SEE NAMED INSURED ENDT)
 590 E MIDDLEFIELD RD
 MOUNTAIN VIEW CA 94043-4008

Renewal of Number CPO 5912284-02
 Producer and Mailing Address
 MARSH RISK & INSURANCE SERVICES
 1735 TECHNOLOGY DR STE 790
 SAN JOSE CA 95110-3804

Producer Code 70074-000

Policy Period: Coverage begins 09-01-2015 at 12:01 A.M.; Coverage ends 09-01-2016 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

PROPERTY PORTFOLIO PROTECTION issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	260,180.00
GENERAL LIABILITY COVERAGE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	84,722.00
BUSINESS AUTOMOBILE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	\$	31,226.00
CA-AUTO SPECIAL PURPOSE SURCHARGE	\$		3.52
CA SEISMIC SAFETY FEE	\$.45
STATE FIRE MARSHALL REG ASSESS SURCHG	\$		86.65
FL-DEPT OF REVENUE SURCHARGE	\$		4.00

THIS PREMIUM MAY BE SUBJECT TO AUDIT.

This premium does not include Taxes and Surcharges.

TOTAL \$ 376,128.00
 SEE INSTALLMENT SCHEDULE

Taxes and Surcharges

TOTAL \$ 94.62
 SEE INSTALLMENT SCHEDULE

Form(s) and Endorsement(s) made a part of this policy at time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS.**

Countersigned this day of

Authorized Representative

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

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- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.



Fraud Warnings Disclosure

TO BE ATTACHED TO AND FORM PART OF THE APPLICATION. IF FRAUD WARNINGS ARE INCLUDED IN THE APPLICATION TO WHICH THIS IS ATTACHED, THIS DISCLOSURE REPLACES THOSE WARNINGS.

Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties. (Not applicable in AL, AR, CO, DC, FL, KS, KY, LA, MD, ME, NJ, NM, NY, OH, OK, OR, PA, PR, RI, TN, TX, VA, VT, WA, and WV.)

In **Arkansas, Louisiana, Rhode Island, or West Virginia**: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In **Alabama**: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison, or any combination thereof.

In **Colorado**: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

In **District of Columbia**: Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

In **Florida**: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

In **Kansas**: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to an insurer, purported insurer, or to or by a broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act and may be subject to criminal and/or civil fines or penalties.

In **Kentucky**: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

In **Maine, Tennessee, Virginia, or Washington**: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

In **Maryland**: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

In **New Jersey**: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

In **New Mexico**: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

In **New York**: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

In **Ohio**: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

In **Oklahoma**: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

In **Oregon**: Any person who knowingly and with intent to defraud any insurer or other person files an application for insurance or statement of claim containing any materially false information upon which an insurer relies, if such information was either material to the risk assumed by the insurer or the misinformation was provided fraudulently, may commit a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

In **Pennsylvania**: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

In **Puerto Rico**: Any person who has committed fraud, as defined in the law, shall incur a felony, and if convicted, shall be sanctioned for each violation by a penalty of a fine of not less than five thousand dollars (\$5,000), nor more than ten thousand dollars (\$10,000), or a penalty of imprisonment for a fixed term of three (3) years, or both penalties. If there were aggravating circumstances, the fixed penalty thus established may be increased up to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years. In addition to the penalties provided in this chapter, any person who, as a result of the fraud thus committed is benefited in any way to obtain insurance, or in the payment of a loss pursuant to an insurance contract, shall be imposed the payment of restitution of the amount of money resulting from the fraud. Every violation shall have a prescription term of (5) five years.

In **Texas**: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

In **Vermont**: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

The undersigned, on behalf of all Insureds, acknowledges that discovery of any fraud, intentional concealment, or misrepresentation of any material fact may render this policy, if issued, voidable at inception or otherwise cancelled.

Applicant

Applicant Name and Title: _____ Date: _____

Applicant Signature: _____



Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Nancy D. Mueller

President

Donna J. Kennedy

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com



Illinois Civil Union Act Policyholder Notice

On June 1, 2011, Public Act 96-1513, the Religious Freedom Protection and Civil Union Act ("the Act") became effective. Under the Act, both same-sex and opposite-sex couples may enter into a civil union. A party to a civil union is entitled to the same legal obligations, responsibilities, protections, and benefits as are afforded or recognized by the law of Illinois a spouse; whether they derive from statute, administrative rule, common law, or any other source of civil or criminal law. A marriage between persons of the same sex, a civil union, or a substantially similar legal relationship other than common law marriage, legally entered into in another jurisdiction, shall be legally recognized in Illinois as a civil union.

CAUTION: FEDERAL LAW RIGHTS MAY OR MAY NOT BE AVAILABLE:

Illinois law grants parties to a civil union the same benefits, protections and responsibilities that flow from marriage under state law. However, some or all of the benefits, protections and responsibilities related to health insurance that are available to married persons under federal law may not be available to parties to a civil union. For example, the Employee Retirement Income Security Act of 1974, a federal law known as "ERISA" controls the employer/employee relationship with regard to determining eligibility for enrollment in private employer health benefit plans. Because of ERISA, Act 91 does not state requirements pertaining to a private employer's enrollment of a party to a civil union in an ERISA employee welfare benefit plan. However, governmental employers (not federal government) are required to provide health benefits to the dependents of a party to a civil union if the public employer provides health benefits to the dependents of married persons. Federal law also controls group health insurance continuation rights under "COBRA" for employers with 20 or more employees as well as the Internal Revenue Code treatment of health insurance premiums. As a result, parties to a civil union and their families may or may not have access to certain benefits under this policy, contract, certificate, rider or endorsement that derive from federal law. You are advised to seek expert advice to determine your rights.



**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY.
THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS
AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

DISCLOSURE OF PREMIUM (RELATING TO DISPOSITION OF TRIA)

SCHEDULE*

(1) Premium attributable to risk of loss from certified acts of terrorism through the end of the policy period based on the extension of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Extension Act of 2005, ("TRIA") for lines subject to TRIA and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA):

General Liability	\$1,661.00
Property Portfolio Protection	\$2,195.00

If TRIA terminates, the portion of this premium attributable to the remaining part of the policy period, as modified by any change shown in **(2)** of this Schedule, applies to the risk of loss from terrorism after the termination of TRIA.

(2) Premium change upon termination of TRIA or upon applicability of a Conditional Endorsement:

No change unless one of the following is completed -

Return Premium: N/A

Additional Premium: N/A

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of your premium attributable is shown in the Schedule of this endorsement or in the Declarations.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The Act currently provides for no insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year. The federal program established by

the Act is scheduled to terminate at the end of December 31, 2014 unless extended by the federal government.

C. Possibility of Additional or Return Premium

The premium attributable to the risk of loss from certified acts of terrorism coverage is calculated based on the coverage (if any) in effect at the beginning of your policy for certified acts of terrorism. If your policy contains a Conditional Endorsement, the termination of TRIA or extension of the federal program with certain modifications (as explained in that endorsement) may modify the extent of coverage (if any) your policy provides for terrorism. If TRIA terminates or the Conditional Endorsement becomes applicable to your policy, the return premium (if any) or additional premium (if any) shown in **(2)** of the Schedule will apply. If the level or terms of federal participation change, the premium shown in **(1)** of the Schedule attributable to that part of the policy period extending beyond such a

change may not be appropriate and we will notify
you of any changes in your premium.

Policy Number
CPO 5912284-03

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-15
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	590 E MIDDLEFIELD RD MOUNTAIN VIEW, CA 94043	
002	001	3661 BURWOOD DR WAUKEGAN, IL 60085	
003	001	443 DONELSON PIKE #200 NASHVILLE, TN 37214	
004	001	2003 GANDY BLVD ST PETERSBURG, FL 33702	
005	001	21540 DRAKE RD STRONGSVILLE, OH 44149	
006	001	5501 A AIRPORT BLVD TAMPA, FL 33634	
007	001	725 SYCAMORE MILPITAS, CA 95035	
008	001	3661 BURR WAUKEGAN, IL 60085	
010	001	1200 STRIKER AVE SACRAMENTO, CA 95834	
011	001	5501 A AIRPORT BLVD TAMPA, FL 33634	

U-GU-618-A CW (10/02)

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:

2. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

(1) Nonpayment of premium; or

(2) Discovery of fraud by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. All Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
 - (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
 - (6) A determination by the Commissioner of Insurance that the:
 - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (b) Continuation of the policy coverage would:
 - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
 - (ii) Threaten our solvency.
 - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
- b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B. The following provision is added to the **Cancellation** Common Policy Condition:
- 7. Residential Property**
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part
Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
 - b. We may not cancel this policy solely because the first Named Insured has:
 - (1) Accepted an offer of earthquake coverage; or
 - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
 - c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
 - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
 - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

- C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. Subject to the provisions of Paragraphs **C.2.** and **C.3.** below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

2. Residential Property

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

- a. We may elect not to renew such coverage for any reason, except as provided in **b.**, **c.** and **d.** below.

- b. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to

renew such coverage after the first Named

Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims;

or

- (3) We have:

- (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or

- (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.

- c. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.

- d. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (**d.**) applies only if coverage is subject to one of the following, which exclude loss

or damage caused by or resulting from corrosive soil conditions:

- (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or

- (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph **D.** Covered Causes Of Loss – Special.

3. We are not required to send notice of nonrenewal in the following situations:

- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.

- b.** If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph **C.1.**
- c.** If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d.** If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e.** If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
- f.** If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph **C.1.**, to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

- (1)** Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

- (2)** Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
- (3)** Activities or omissions by you which change or increase any hazard insured against;
- (4)** Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;
- (5)** Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

- (6) The insured's violation or breach of any policy terms or conditions; or
- (7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through **(7)** above.

B. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

- a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**
- b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.
- c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

- a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.

f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

- d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.
 - e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.
- E.** The **Premiums** Common Policy Condition is replaced by the following:
- Premiums**
- 1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
 - 2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.
- F.** Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

- (1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation, if we cancel for any other reason.

- G.** The following is added and supersedes any other provision to the contrary:

Nonrenewal

- 1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.
- 2. We need not mail or deliver this notice if:
 - a. We or another company within our insurance group have offered to issue a renewal policy; or
 - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
- 3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.



SANCTIONS EXCLUSION ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED



Important Notice to Policyholders

The address for the headquarters of Zurich North America will change after August 1, 2016 due to a relocation of our office in the same city. The new address is:

Customer Inquiry Center
Zurich North America
1299 Zurich Way
Schaumburg, IL 60196
1-800-382-2150

For specific questions regarding your policy, please contact your agent or broker. For other questions, you may contact the Customer Inquiry Center of Zurich North America. Any references to post office boxes previously provided remain unchanged.

Insured Name:
Policy Number:
Effective Date:



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

**DISCLOSURE OF IMPORTANT INFORMATION
RELATING TO TERRORISM RISK INSURANCE ACT**

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

General Liability	\$1,661.00
Property Portfolio Protection	\$2,195.00

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January1, 2015 – December 31, 2015 federal share: 85%

January1, 2016 – December 31, 2016 federal share: 84%

January1, 2017 – December 31, 2017 federal share: 83%

January1, 2018 – December 31, 2018 federal share: 82%

January1, 2019 – December 31, 2019 federal share: 81%

January1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amounts shown below.

Premium	Service Charge	Total Due	Date Due
\$ 125,250.00		\$ 125,344.62	09/01/15
\$ 83,626.00		\$ 83,626.00	12/01/15
\$ 83,626.00		\$ 83,626.00	03/01/16
\$ 83,626.00		\$ 83,626.00	06/01/16

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.

Policy Number
CPO 5912284-03

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-15

12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-D-365-A	03-94	POLICY COMMON DECLARATIONS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-692-C CW	06-13	DISCL OF PREM. RELATING TO DISP. OF TRIA
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 02 70	09-12	CA CHANGES - CANCELLATION & NONRENEWAL
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONREN
IL 00 03	09-08	CALCULATION OF PREMIUM
U-GU-1191-A CW	03-15	SANCTIONS EXCLUSION ENDORSEMENT
U-GU-630-D CW	01-15	DISCLOSURE OF INFO RELATING TO TRIA
U-GU-315-A	01-93	SCHEDULE OF INSTALLMENTS
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-621-A CW	10-02	SCHEDULE OF NAMED INSURED(S)
IL 01 12	06-10	FL CHGS-MEDIATION/APPRL (CMML RES PROP)

PROPERTY PORTFOLIO PROTECTION FORMS AND ENDORSEMENTS

PPP-0001	06-06	COMMERCIAL PROP CVG PART DECLARATIONS
PPP-0226	06-06	WIND & HAIL -- DD & TE DEDUCTIBLE
PPP-0302	03-14	DEP PREM BI CVG -- UNSCHEDULED LOCS
PPP-0308	06-06	ENABLING ENDORSEMENT
PPP-1091	04-13	FLORIDA CHANGES
PPP-0101	03-14	COMMERCIAL PROP CVG PART GEN PROVISIONS
PPP-0102	03-14	COMMERCIAL PROPERTY CONDITIONS
PPP-0103	03-14	COMMERCIAL PROPERTY DEFINITIONS
PPP-0110	03-14	REAL AND PERSONAL PROPERTY COVERAGE FORM
PPP-0111	03-14	ADDITIONAL COVERAGES FORM
PPP-0112	03-14	ACCOUNTS RECEIVABLE CVG (REVENUE LOSS)
PPP-0114	03-14	FINE ARTS COVERAGE FORM
PPP-0115	03-14	INSTALLATION & SERVICE PROPERTY CVG FORM
PPP-0116	03-14	ORIGINAL INFORMATION PROPERTY CVG FORM
PPP-0117	03-14	TRANSIT COVERAGE FORM
PPP-0131	03-14	BUS INCCVG FORM INCL RESEARCH & DEVEL.
PPP-0132	03-14	EXTRA EXPENSE COVERAGE FORM
PPP-0301	03-14	DED PREM BI COVG--SCHED LIMITS & LOCS
PPP-0310	03-14	FLOOD COVERAGE
PPP-0321	03-14	OFF-PREM SERVICE INTERRUPTION--TE
PPP-1041	03-11	CALIFORNIA CHANGES
CP 02 99	06-07	CANCELLATION CHANGES

GENERAL LIABILITY FORMS AND ENDORSEMENTS

CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1369-B CW	04-13	GL SUPPLEMENTAL COVERAGE ENDT TECHNOLOGY
U-GL-1370-B CW	04-13	GL SUPPLEMENTAL COV ENDT TECH QUICK REF
U-GL-1517-B CW	04-13	RECORD OR DISTRB OF MATRL OR INFO EXCL
U-GL-849-B CW	08-04	EMPLOYEE BENEFITS LIABILITY-CLAIMS MADE
U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-D-849-B CW	09-04	EMPLOYEE BENEFITS LIAB DEC - CLAIMS MADE
CG 00 01	04-13	COMMERCIAL GENERAL LIABILITY COV FORM
U-GL-1175-F CW	04-13	ADDL INSD-AUTO-OWNERS LESSEES CONTRACTR

U-GU-619-A CW (10/02)

Policy Number
CPO 5912284-03

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured OMNICELL INC

Effective Date: 09-01-15
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED
CG 32 34	01-05	CALIFORNIA CHANGES
UGL850ACW	07-96	DEDUCTIBLE ENDORSEMENT CLAIMS-MADE
CG 20 10	04-13	ADDL INSD - OWNERS/LESSEES/CONTRACTORS
CG 21 06	05-14	EXCL-ACC/DISCL OF CONFI OR PERSONAL INFO
CG 22 75	04-13	PROF LIAB EXCL-COMPUTER SOFTWARE

AUTOMOBILE FORMS AND ENDORSEMENTS

CA 02 67	11-12	FL CHANGES - CANCELLATION AND NONRENEWAL
U-CA-531-B	02-08	NOTICE REGARDING TERRORISM PREMIUM
U-CA-D-600-C	04-14	BUSINESS AUTO DECLARATIONS
CA 00 01	10-13	BUSINESS AUTO COVERAGE FORM
CA 01 22	10-13	KANSAS CHANGES
CA 01 43	10-13	CALIFORNIA CHANGES
CA 21 54	10-13	CA UM COVERAGE - BODILY INJURY
CA 21 72	10-09	FL UNINSURED MOTORISTS COV - NON STACKED
CA 04 24	10-13	CA - AUTO MEDICAL PAYMENTS COVERAGE
U-CA-424-F CW	04-14	COVERAGE EXTENSION ENDORSEMENT
CA 99 03	03-06	AUTO MEDICAL PAYMENTS COVERAGE
CA 20 48	10-13	DESIGNATED INSURED



NOTIFICATION OF IMPORTANT CHANGES RELATING TO TERRORISM RISK INSURANCE ACT

To Our Valued Customers:

The Terrorism Risk Insurance Program Reauthorization Act of 2007 ("TRIPRA 2007") had been scheduled to expire on December 31, 2014. Congress enacted a six year extension of TRIA entitled, Terrorism Risk Insurance Program Reauthorization Act of 2015 ("TRIPRA 2015"), which will expire on December 31, 2020. For purposes of simplicity we will simply reference the act as TRIA. There are several important changes to TRIA included within the extension of which you should be aware:

A. Change in Definition of "Act of Terrorism"

Prior to the enactment of the extension legislation, TRIA had required that an "act of terrorism" meant any act that is certified by the Secretary of the Treasury in concurrence with the Secretary of State. However, this has been changed in that certification by the Secretary of the Treasury shall be in consultation with the Secretary of Homeland Security and the United States Attorney General.

B. Reduction in the Federal Share of Terrorism Losses by Increasing the Insurer Co-Pay from 15% to 20% Over Five Years

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January 1, 2015 – December 31, 2015 federal share: 85%

January 1, 2016 – December 31, 2016 federal share: 84%

January 1, 2017 – December 31, 2017 federal share: 83%

January 1, 2018 – December 31, 2018 federal share: 82%

January 1, 2019 – December 31, 2019 federal share: 81%

January 1, 2020 – December 31, 2020 federal share: 80%

C. The Current Program Trigger for Aggregate Industry Insured Losses Will Increase from \$100 Million to \$200 Million Over Five Years

The extension of TRIA increases the Program trigger from \$100 million to \$200 million over a five year period. This means that the Program trigger will increase by \$20 million with respect to any such insured losses occurring in calendar year 2016 and continue to increase by \$20 million until calendar year 2020. At the end of this five year period the Program trigger will be \$200 million.

D. Increases in the Recoupment of the Federal Share of Insured Losses

The extension of TRIA increases the amount used to calculate marketplace aggregate retention from \$27.5 billion to \$37.5 billion in \$2 billion increments beginning in the calendar year 2015 and reaching \$37.5 billion in calendar year 2019. Beginning in calendar year 2020 the TRIA extension revises the mandatory recoupment amount to be the amount equal to the annual average of the sum of insurer deductibles for all insurers participating in the Program for the prior three calendar years, with such amount to be determined annually by the Secretary of the Treasury. Under the TRIA extension, the recoupment of mandatory recoupment amounts has increased from 133% to 140%.

Policy Number
CPO 5912284-03

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC

Effective Date: 09-01-15
 12:01 A.M., Standard Time

Agent Name MARSH RISK & INSURANCE SERVICES

Agent No. 70074-000

NAMED INSURED

OMNICELL INC
 OMNICELL HEALTHCARE CANADA
 OMNICELL EUROPE, SARL
 SURE MED
 OMNICELL.COM
 OMNICELL TECHNOLOGIES, INC.
 MEDISAFE
 APRS, INC.
 BCX TECHNOLOGY
 OMNICELL CORPORATION (INDIA) PVT LTD
 OMNICELL INC - SPAIN
 RIOUX VISION, INC.
 PANDORA DATA SYSTEMS
 OMNICELL INTERNATIONAL, INC., DUBAI - UAE
 MTS PACKAGING INC
 MEDPAK HOLDINGS INC
 MTS PACKAGING SYSTEMS, INC.
 MTS MEDICATION TECHNOLOGIES INC
 MTS MEDICATION TECHNOLOGIES LTD.
 MTS PACKAGING SYSTEMS, INC.
 MTS MEDICATION TECHNOLOGIES GMBH
 OMNICELL INTERNATIONAL, INC., HONG KONG BRANCH
 OMNICELL INTERNATIONAL, INC., AUSTRALIA BRANCH
 OMNICELL TECHNOLOGY (BEIJING) CO., LTD.
 OMNICELL INTERNATIONAL, INC.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – MEDIATION OR APPRAISAL (COMMERCIAL RESIDENTIAL PROPERTY)

This endorsement modifies insurance provided under the following:

BUILDERS RISK COVERAGE FORM (COMMERCIAL PROPERTY COVERAGE PART)
BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM
STANDARD PROPERTY POLICY

With respect to a loss to commercial residential property, the following replaces the **Appraisal Condition**:

Mediation Or Appraisal

If we and you:

- A.** Are engaged in a dispute regarding a claim, either may request a mediation of the loss in accordance with the rules established by the Florida Department of Financial Services. The loss amount must be \$500 or more, prior to application of the deductible; or there must be a difference of \$500 or more between the loss settlement amount we offer and the loss settlement amount that you request. The settlement in the course of mediation is binding only if both parties agree, in writing, on a settlement, and you have not rescinded the settlement within three business days after reaching settlement. You may not rescind the settlement after cashing or depositing the settlement check or draft we provided to you.

We will pay the cost of conducting the mediation conference. However, if:

1. You fail to appear at the mediation conference and you wish to schedule a new conference after failing to appear, then the new conference will be scheduled only upon your payment of a sum equal to the fees we paid for the mediation conference at which you failed to appear. This sum will then be applied to the cost of the rescheduled mediation conference, and we will pay the balance, if any, of the cost of conducting the rescheduled mediation conference; or

2. We fail to appear at a mediation conference without good cause, we will pay your actual cash expenses you incur in attending the mediation conference and also pay the total cost of the rescheduled mediation conference.

- B.** Disagree on the value of the property or the amount of loss, either may request an appraisal of the loss, in writing. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

However, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss, if we:

1. Requested mediation and either party rejected the mediation result; or
2. Failed to notify you of your right to participate in the mediation program.



Important Notice to Florida Policyholders

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1400 American Lane
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 1

PREMISES ADDRESS

590 E MIDDLEFIELD RD
MOUNTAIN VIEW, CA 94043

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

FLOOD

\$ 1,000,000

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
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12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

SUMMARY OF PREMISES

PREMISES #	2	PREMISES ADDRESS
		3661 BURWOOD DR WAUKEGAN, IL 60085

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
FLOOD	\$ 1,000,000

DEDUCTIBLE	AMOUNT
FLOOD	\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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ADDRESS

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SUMMARY OF PREMISES

PREMISES # 3

PREMISES ADDRESS

443 DONELSON PIKE #200
NASHVILLE, TN 37214

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
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SUMMARY OF PREMISES

PREMISES # 4

PREMISES ADDRESS

2003 GANDY BLVD
ST PETERSBURG, FL 33702

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME AND EXTRA EXPENSE

INCLUDED IN BLANKET LIMIT OF INSURANCE

OFF-PREMISES SERVICE
INTERRUPTION--BUSINESS INCOME AND EXTRA
EXPENSE

\$ 1,000,000

DEDUCTIBLE

AMOUNT

WIND AND HAIL--DIRECT DAMAGE AND TIME
ELEMENT

\$ 950,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 5

PREMISES ADDRESS

21540 DRAKE RD
STRONGSVILLE, OH 44149

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 6

PREMISES ADDRESS

5501 A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 7

PREMISES ADDRESS

725 SYCAMORE
MILPITAS, CA 95035

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED

FLOOD

\$ 1,000,000

DEDUCTIBLE

AMOUNT

FLOOD

\$ 100,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

SUMMARY OF PREMISES

PREMISES #	8	PREMISES ADDRESS
		3661 BURR WAUKEGAN, IL 60085

COVERAGE	LIMIT OF INSURANCE
PERSONAL PROPERTY	INCLUDED IN BLANKET LIMIT OF INSURANCE
BUSINESS INCOME	NOT COVERED
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$ 250,000
OFF-PREMISES SERVICE INTERRUPTION--DIRECT DAMAGE	\$ 100,000
ORIGINAL INFORMATION PROPERTY	\$ 250,000
POLLUTANT CLEAN UP AND REMOVAL--LAND AND WATER	\$ 25,000

DEDUCTIBLE	AMOUNT
PROPERTY	\$ 5,000



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 10

PREMISES ADDRESS

1200 STRIKER AVE
SACRAMENTO, CA 95834

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

SUMMARY OF PREMISES

PREMISES # 11

PREMISES ADDRESS

5501 A AIRPORT BLVD
TAMPA, FL 33634

COVERAGE

LIMIT OF INSURANCE

PERSONAL PROPERTY

INCLUDED IN BLANKET LIMIT OF INSURANCE

BUSINESS INCOME

NOT COVERED



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

BLANKET LIMITS OF INSURANCE

PERSONAL PROPERTY BLANKET LIMIT OF INSURANCE \$ 86,052,810

The above Limit of Insurance is the most we will pay for direct physical loss or damage in any one occurrence for all **"personal property"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"personal property"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"personal property"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.

BUSINESS INCOME AND EXTRA EXPENSE BLANKET LIMIT OF INSURANCE \$ 26,500,000

The above Limit of Insurance is the most we will pay for in any one occurrence for all loss of **"business income"** and **"extra expense"** at **"premises"** for which the Limit of Insurance is shown as Included in Blanket Limit of Insurance. If **"business income"** or **"extra expense"** coverage does not apply at any specific **"premises"**, the Limit of Insurance will show as Not Covered for those **"premises"**. If a more specific Limit of Insurance is shown for **"business income"** or **"extra expense"** at a **"premises"**, that Limit of Insurance replaces, and is not in addition to, the Blanket Limit of Insurance.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
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POLICY NUMBER: CPO 5912284-03

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
CIVIL AUTHORITY			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS
CONSEQUENTIAL LOSS--NET LEASEHOLD INTEREST	\$	25,000	PER PREMISES
CONSEQUENTIAL LOSS--TENANT'S IMPROVEMENTS AND BETTERMENTS	\$	250,000	PER PREMISES
CONSEQUENTIAL LOSS--UNDAMAGED STOCK	\$	250,000	PER PREMISES
CONTAMINATION BY A REFRIGERANT	\$	25,000	PER PREMISES
CONTRACTUAL PENALTIES--BUSINESS INCOME	\$	25,000	PER OCCURRENCE
DEBRIS REMOVAL--COVERED PROPERTY			COVERED
DEBRIS REMOVAL--SUPPLEMENTAL LIMIT	\$	500,000	PER OCCURRENCE
DEBRIS REMOVAL--UNCOVERED PROPERTY	\$	2,500	PER OCCURRENCE
DEFERRED PAYMENTS	\$	50,000	PER OCCURRENCE
DELAYED NET INCOME			INCLUDED
DEPENDENT BUSINESS INCOME--UNSCHEDULED LOCATIONS	\$	2,000,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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OMNICELL INC

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12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

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CPO 5912284-03

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
ELECTRONIC VANDALISM			
BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
DIRECT DAMAGE	\$	100,000	ANNUAL AGGREGATE
EXPEDITING EXPENSE	\$	25,000	PER PREMISES
EXPENSE TO REDUCE LOSS--BUSINESS INCOME			COVERED
EXTENDED PERIOD OF INDEMNITY--BUSINESS INCOME			UNLIMITED
EXTRA EXPENSE	\$	25,000	PER PREMISES
FAIRS OR EXHIBITIONS			
BUSINESS INCOME	\$	10,000	PER OCCURRENCE
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
FIRE DEPARTMENT SERVICE CHARGE	\$	250,000	PER PREMISES
FIRE PROTECTIVE EQUIPMENT REFILLS			COVERED
FOOD AND DRUG ADMINISTRATION (FDA) RECERTIFICATION--BUSINESS INCOME			INCLUDED
INFLATION GUARD			
PERSONAL PROPERTY		4	% ANNUAL
INGRESS/EGRESS			
BUSINESS INCOME		30	DAYS
EXTRA EXPENSE		30	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

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ADDRESS

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ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE		
LOCK AND KEY REPLACEMENT	\$	25,000	PER PREMISES
MICROORGANISMS	\$	50,000	ANNUAL AGGREGATE
MICROORGANISMS--BUSINESS INCOME	\$	25,000	ANNUAL AGGREGATE
NEWLY ACQUIRED PREMISES			
REAL PROPERTY	\$	2,000,000	FOR 180 DAYS
PERSONAL PROPERTY	\$	1,000,000	FOR 180 DAYS
BUSINESS INCOME	\$	250,000	FOR 180 DAYS
EXTRA EXPENSE	\$	25,000	FOR 180 DAYS
		THE ABOVE LIMITS APPLY SEPARATELY TO EACH NEWLY ACQUIRED PREMISES	
NEWLY ACQUIRED PROPERTY			
REAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
PERSONAL PROPERTY	\$	250,000	PER PREMISES FOR 180 DAYS
OFF-PREMISES SERVICE INTERRUPTION--DIRECT\$ DAMAGE		1,000,000	PER PREMISES
OUTDOOR TREES, SHRUBS, PLANTS, OR LAWNS\$		250,000	PER PREMISES
	\$	5,000	PER TREE, SHRUB, PLANT, OR LAWN
POLLUTANT CLEAN UP AND REMOVAL--LAND AND\$ WATER		50,000	ANNUAL AGGREGATE PER PREMISES
PRESERVATION OF PROPERTY		180	DAYS



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

ADDITIONAL COVERAGES--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Additional Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**". If a specific coverage is shown at a "premises" as 'Included in Blanket Limit of Insurance', then that Blanket Limit of Insurance replaces, and is not in addition to, the Limits of Insurance shown below for that coverage.

COVERAGE	LIMIT OF INSURANCE	
PROFESSIONAL FEES	\$	25,000 PER OCCURRENCE
REPORTED UNSCHEDULED PREMISES		
REAL PROPERTY		NOT COVERED
PERSONAL PROPERTY		NOT COVERED
BUSINESS INCOME		NOT COVERED
EXTRA EXPENSE		NOT COVERED
REWARD PAYMENTS	\$	25,000 PER OCCURRENCE
SALESPERSONS SAMPLES	\$	25,000 PER OCCURRENCE
SPOILAGE--EQUIPMENT BREAKDOWN	\$	100,000 PER PREMISES
THEFT DAMAGE TO BUILDINGS		COVERED
UNREPORTED PREMISES		
REAL PROPERTY	\$	100,000 PER UNREPORTED PREMISES
PERSONAL PROPERTY	\$	500,000 PER UNREPORTED PREMISES
EXTRA EXPENSE	\$	250,000 PER UNREPORTED PREMISES
BUSINESS INCOME	\$	250,000 PER UNREPORTED PREMISES



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

MARINE COVERAGE--LIMITS OF INSURANCE

Limits of Insurance applicable at a "**premises**" that differ from those indicated below will be shown under the Summary of Premises section of this Declarations for that "**premises**". Those Limits of Insurance replace, and are not in addition to, the Limits of Insurance shown below for those specified coverages and "**premises**". If any Marine Coverages do not apply at any specific "**premises**", the Limit of Insurance will show as Not Covered for those "**premises**".

COVERAGE	LIMIT OF INSURANCE		
ACCOUNTS RECEIVABLE (REVENUE LOSS)	\$	500,000	PER PREMISES
ACCOUNTS RECEIVABLE (REVENUE LOSS)--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
FINE ARTS	\$	25,000	PER PREMISES
FINE ARTS--AWAY FROM PREMISES	\$	25,000	PER OCCURRENCE
INSTALLATION AND SERVICE PROPERTY			
STOCK TO BE INSTALLED	\$	50,000	PER OCCURRENCE--INSTALLATION PREMISES
	\$	50,000	PER OCCURRENCE--TEMPORARY STORAGE LOCATION
	\$	50,000	PER OCCURRENCE--TRANSIT
TOOLS AND EQUIPMENT			
SCHEDULED EQUIPMENT			NOT COVERED
UNSCHEDULED TOOLS & EQUIPMENT	\$	1,000	PER ANY ONE ITEM
	\$	50,000	PER OCCURRENCE
<p>Unscheduled tools and equipment coverage is intended for items valued at or less than the limit per any one item shown above. An item valued at more than this limit must be specifically scheduled or no coverage applies to that item.</p>			
ORIGINAL INFORMATION PROPERTY	\$	500,000	PER PREMISES
ORIGINAL INFORMATION PROPERTY--AWAY FROM PREMISES	\$	500,000	PER OCCURRENCE
TRANSIT			
PERSONAL PROPERTY	\$	25,000	PER OCCURRENCE
BUSINESS INCOME	\$	10,000	PER OCCURRENCE



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

DEDUCTIBLES

GENERAL DEDUCTIBLES

PROPERTY DEDUCTIBLE \$ 100,000 PER OCCURRENCE

The above deductible applies to all loss, damage, cost, or expense covered by this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

BUSINESS INCOME AND EXTRA EXPENSE 24 HOURS
WAITING PERIOD

The above waiting period applies to all loss or expense covered by Business Income and Extra Expense coverages contained in this Commercial Property Coverage Part, unless a specific coverage deductible is shown elsewhere on this Declarations or an endorsement.

OFF PREMISES SERVICE 24 HOURS
INTERRUPTION--TIME ELEMENT WAITING
PERIOD

The above waiting period applies to all loss or expense covered by Off-Premises Service Interruption--Time Element coverage contained in this Commercial Property Coverage Part.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:
OMNICELL INC

POLICY PERIOD:
From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER: CPO 5912284-03

DEDUCTIBLES

CATASTROPHE PERIL DEDUCTIBLES

FLOOD DEDUCTIBLES

Loss or damage to Covered Property caused by "**flood**" is subject to separate deductible amounts. The deductibles applicable to "**flood**" are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Flood coverage applies to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Flood Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

WIND AND HAIL DEDUCTIBLES

Loss or damage to Covered Property caused by wind or hail is subject to separate deductible amounts. The deductibles applicable to wind and hail are stated in the Summary of Premises section of this Declarations for that specific "**premises**". If the Wind and Hail Deductibles apply to loss or damage at "**reported unscheduled premises**", the deductible amounts for "**reported unscheduled premises**" are stated on the Catastrophe Coverage--Limits of Insurance and Deductibles section of this Declarations.

The Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.

APPLICATION OF MULTIPLE DEDUCTIBLES

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under "**time element coverage**". This provision does not apply to Covered Property and "**time element coverage**" for covered loss or damage due to "**earth movement**", "**flood**", "**named storm**", or to wind or hail when a separate Wind and Hail Deductible is applicable.



Commercial Property Coverage Part Declarations

ZURICH AMERICAN INSURANCE COMPANY

NAMED INSURED:

OMNICELL INC

POLICY PERIOD:

From: 9/1/2015 To: 9/1/2016
12:01 A.M. STANDARD TIME AT YOUR MAILING
ADDRESS

POLICY NUMBER:

CPO 5912284-03

CATASTROPHE COVERAGE--LIMITS OF INSURANCE AND DEDUCTIBLES

Catastrophe Coverages shown below apply only at those "**premises**" that show an applicable Limit of Insurance for that Catastrophe Coverage in the Summary of Premises section of this Declarations. If coverage applies at "**reported unscheduled premises**", those Limits of Insurance and Deductibles are shown below.

CATASTROPHE COVERAGE

LIMIT OF INSURANCE AND DEDUCTIBLES

FLOOD

PREMISES

SEE SUMMARY OF PREMISES SECTION

OCCURRENCE

\$ 1,000,000

ANNUAL AGGREGATE

\$ 1,000,000

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION

WIND AND HAIL--DIRECT DAMAGE AND TIME

ELEMENT

DEDUCTIBLE

SEE SUMMARY OF PREMISES SECTION



Wind and Hail--Direct Damage and Time Element Deductible

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM

- A. The Wind and Hail--Direct Damage and Time Element Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
- B. With respect to any **"premises"** at which a Wind and Hail--Direct Damage and Time Element Deductible is shown on the Declarations, the following is added to the Deductible section:

With respect to all loss or damage caused directly or indirectly by wind or hail, regardless of whether any other cause or event, including a **"mistake"**, **"malfunction"**, or another weather condition, contributes concurrently or in any sequence to the loss, the following applies:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Wind and Hail--Direct Damage and Time Element Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to the covered loss, damage, cost, or expense at each **"premises"**.

The Wind and Hail Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by wind or hail even if no other deductible applies to the **"time element coverage"**.



Dependent Premises Business Income Coverage--Unscheduled Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to a **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay in any one occurrence is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. This Limit is included in, and not in addition to, any other applicable Limit of Insurance.

If a Blanket Business Income and Extra Expense Limit of Insurance applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to the actual and necessary **"extra expense"** you incur for up to 30 days after an order of civil authority prohibits access to that **"dependent premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Dependent Premises Business Income--Unscheduled Locations. The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

D. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"**, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

- a. Sources of materials or services; or
 - b. Outlets for your products or services,
- available to you.

E. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"**, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins when the direct physical loss of or damage to property at a **"dependent premises"** occurs; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"**Period of restoration**" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**pollutants**" or "**microorganisms**".

The expiration of this policy will not cut short the "**period of restoration**".

- F. Coverage provided by this endorsement does not apply at any location at which "**business income**" coverage is provided by any other Coverage Form included in this Commercial Property Coverage Part.



Enabling Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**COMMERCIAL PROPERTY CONDITIONS
REAL AND PERSONAL PROPERTY COVERAGE FORM**

The provisions of any forms or endorsements that make reference to the BUILDING AND PERSONAL PROPERTY COVERAGE FORM or the CAUSES OF LOSS SPECIAL FORM are applicable to the COMMERCIAL PROPERTY CONDITIONS and the REAL AND PERSONAL PROPERTY COVERAGE FORM.



Florida Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following provisions only apply with respect to **"premises"** and **"reported unscheduled premises"** in the state of Florida:

A. The following provision applies when the Additional Condition--Coinsurance endorsement is applicable:

Florida Law states as follows:

Coinsurance contract: The rate charged in this Commercial Property Coverage Part is based upon the use of the coinsurance clause attached to this Commercial Property Coverage Part, with the consent of the insured.

B. If wind is a **"covered cause of loss"** and loss or damage to Covered Property is caused by or resulting from wind, the following is added to Section B., Excluded Causes of Loss, in the REAL AND PERSONAL PROPERTY COVERAGE FORM and applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intra-Coastal Waterway in the Counties of:
 - a. Indian River; and
 - b. St. Lucie.

Wind Exterior

We will not pay for loss or damage caused by or resulting from wind to paint or waterproofing material applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by wind in the course of the same wind event. But such coverage applies only if wind is a **"covered cause of loss"**.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Wind and Hail Deductible;
- b. The amount of Named Storm Deductible; or
- c. The value of Covered Property when applying the coinsurance percentage.

- C. Paragraph 6. in the Loss Payment Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

6. If you have complied with all of the terms of this Commercial Property Coverage Part, we will pay for covered loss or damage upon the earliest of the following:

- a. Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
- b. Within 30 days after we receive the sworn proof of loss; and
 - 1) There is an entry of a final judgment; or
 - 2) There is a filing of an appraisal award with us; or
- c. Within 90 days of receiving notice of claim, unless we deny the claim during that time or factors beyond our control reasonably prevent such payment. If a portion of the claim is denied, then the 90 day time period for payment of claim relates to the portion of the claims that is not denied.

This paragraph c. applies only to the following:

- 1) A claim under the Commercial Property Coverage Part covering residential property;
- 2) A claim for "**real property**" or "**personal property**" coverage if the insured structure is 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida; or
- 3) A claim for "**personal property**" coverage under a tenant's policy if the rented "**premises**" or "**reported unscheduled premises**" are 10,000 square feet or less and the Commercial Property Coverage Part covers only "**premises**" or "**reported unscheduled premises**" in Florida.

- D. The following are added to the COMMERCIAL PROPERTY DEFINITIONS with respect to coverage provided by this endorsement:

"Catastrophic ground cover collapse" means geological activity that results in all of the following:

- a. The abrupt collapse of the ground cover;
- b. A depression in the ground cover clearly visible to the naked eye;
- c. "**Structural damage**" to the building, including the foundation; and
- d. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

"Catastrophic ground cover collapse" does not mean:

- a. Damage consisting of the mere settling or cracking of a foundation, structure, or building;
- b. "**Sinkhole collapse**"; or
- c. "**Earth movement**".

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior

building structure or members becomes unfit for service or represent a safety hazard as defined within the Florida Building code;

- b. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the primary structural members or primary structural systems that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those primary structural members or primary structural systems exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings or similar structure, purpose, or "**premises**";
 - c. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical primary structural members to such extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d. Damage that results in the building, or any portion of the building containing primary structural members or primary structural systems, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 - e. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
- E. The definition of "**earth movement**" in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following with respect to coverage provided by this endorsement:
- "**Earth movement**" means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than "**sinkhole collapse**" and "**catastrophic ground cover collapse**".
- "**Earth movement**" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.
- F. The following is added to the definition of "**specified causes of loss**":
- "**Catastrophic ground cover collapse**".



Commercial Property Coverage Part General Provisions

IMPORTANT INFORMATION ABOUT THIS COMMERCIAL PROPERTY COVERAGE PART. PLEASE READ IT CAREFULLY.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and what is not covered.

DEFINITIONS AND MEANINGS

Throughout this Commercial Property Coverage Part, the words "you" and "your" refer to the Named Insured shown on the Commercial Property Coverage Part Declarations. The words "we", "us", and "our" refer to the Company providing this insurance coverage.

The word "occurrence" includes all losses or damages that are attributable directly or indirectly to one cause or a series of similar causes. All such losses or damages will be treated as one occurrence. However, if occurrence is specifically defined in a Coverage Form, that definition applies to the insurance provided by that Coverage Form and any endorsements to that Coverage Form.

For purposes of this Commercial Property Coverage Part:

- a. Covered Property is the property that is insured for loss or damage under the applicable Coverage Forms or endorsements.
- b. Covered Income is the income that is insured for loss under the applicable Coverage Forms or endorsements.

Other words and phrases that appear in bold and in quotation marks, or in quotation marks only, have special meaning. You will find these definitions in the Commercial Property Definitions, Coverage Forms, and in endorsements to the Coverage Forms.

Words or phrases that are not defined are intended to have their ordinary or common meaning. Disputes concerning the meaning of words or phrases will be resolved using the most recently published version of Webster's Unabridged Dictionary.

Unless otherwise stated, words that are used in the plural tense include the singular tense (and vice versa).

FORMS

In addition to these General Provisions, the Commercial Property Coverage Part contains the Common Policy Conditions, Commercial Property Conditions, Commercial Property Definitions, and various Coverage Forms and endorsements as shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Some forms and endorsements may refer to other Coverage Forms, but you only have coverage under a particular Coverage Form if it is shown on the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements. Similarly, even if the Property Forms and Endorsements Section of the Schedule of Forms and Endorsements shows that you have a Coverage Form, you will not have coverage for each coverage and optional coverage mentioned in that Coverage Form unless they are shown on the Commercial Property Coverage Part Declarations.

DEDUCTIBLES

If a deductible applies, it is described in the applicable Coverage Form or endorsement. The amount of the deductible to be applied is shown on the Summary of Premises, Deductibles, or Catastrophe Coverage - Limits of Insurance and Deductibles sections of the Commercial Property Coverage Part Declarations.

Unless otherwise stated in a Coverage Form or endorsement, if more than one deductible applies, we will apply each deductible separately, but the total of all deductible amounts applied will not exceed the highest applicable deductible for loss or damage to Covered Property and the highest applicable deductible for loss under **"time element coverage"**. However, this provision does not apply to Covered Property and **"time element coverage"** for covered loss or damage due to **"earth movement"**, **"flood"**, or **"named storm"**, or to wind or hail when a separate Wind Deductible or Wind and Hail Deductible is applicable.

Loss or damage to Covered Property caused by **"earth movement"**, **"flood"**, **"named storm"**, water damage, theft and wind or hail may be subject to separate deductible amounts. The Summary of Premises section of the Commercial Property Coverage Part Declarations identify the **"premises"** subject to the separate deductibles and the deductible amounts. If the Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, or Wind and Hail Deductibles apply to loss or damage at **"reported unscheduled premises"**, to **"contractor's equipment"** away from **"premises"**, or to **"installation property"** away from **"premises"**, the deductible amounts are stated on the Catastrophe Coverage - Limits of Insurance and Deductibles section of the Commercial Property Coverage Part Declarations.

The Earth Movement Deductibles, Flood Deductibles, Named Storm Deductibles, Wind Deductibles, and Wind and Hail Deductibles only apply to loss or damage that, but for the application of the Deductibles, would be paid by us under this Commercial Property Coverage Part.



Commercial Property Conditions

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Commercial Property Conditions

This Commercial Property Coverage Part is subject to the following conditions as well as the Common Policy Conditions.

A. ABANDONMENT

There can be no abandonment of any property to us.

B. APPRAISAL

If we and you disagree on the value of the property or the amount of the loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. The two appraisers will select an umpire. If they cannot agree, either may request that selection of an umpire be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form or, if not stated, the "**actual cash value**" and "**replacement cost**". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

C. CONCEALMENT, MISREPRESENTATION, OR FRAUD

This policy is void in any case of fraud by you or any other insured as it relates to this Commercial Property Coverage Part at any time before or after a loss. It is also void as to you or any other insured, and we will not pay you or any other insured, if you or any other insured, at any time before or after a loss, intentionally conceal or misrepresent a material fact concerning:

1. The insurance provided by this policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under the policy.

D. CONFORMITY TO STATUTE

Terms of this Commercial Property Coverage Part that are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform to such statutes.

E. CONTROL OF PROPERTY

Breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions by any person, other than you, beyond your direction or control will not affect this insurance.

The breach of any provision contained in the Commercial Property Conditions or Common Policy Conditions at any one or more locations will not affect coverage at any location where, at the time of loss or damage, there was no breach.

F. DUTIES IN THE EVENT OF LOSS OR DAMAGE

1. You must see that the following are done in the event of loss or damage to Covered Property:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage, including a description of the property involved.
 - c. As soon as possible, give us a description of how, when, and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a "**covered cause of loss**". Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also, permit us to take samples of damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
3. Failure of an agent or one of your employees, other than an officer, partner, manager, "**member**", director, trustee, proprietor, or risk management employee, to notify us of any loss or damage that they know about will not affect the insurance afforded you by this Commercial Property Coverage Part.

G. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

H. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Commercial Property Coverage Part unless:

1. All of its terms have been fully complied with; and
2. The action is brought within 2 years after the date on which the loss or damage commenced.

I. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Commercial Property Coverage Part, without additional premium and within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Commercial Property Coverage Part.

J. LOSS PAYMENT

The following apply unless otherwise provided in a Coverage Form in this Commercial Property Coverage Part:

1. In the event of loss or damage covered by this Commercial Property Coverage Part, at our option, we will either:

- a. Pay the amount of the loss or damage;
- b. Pay the cost of repairing or replacing the lost or damaged property;
- c. Take all or any part of the property at an agreed or appraised value; or
- d. Repair, rebuild, or replace the property with other property of like kind and quality.

We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. If we elect to exercise option 1.c. with respect to any branded or labeled "**merchandise**" or "**finished stock**", you may:

- a. Stamp salvage on the "**merchandise**" or "**finished stock**", or its containers, if the stamp will not physically damage the "**merchandise**" or "**finished stock**"; or
- b. Remove the brands or labels, if doing so will not physically damage the "**merchandise**" or "**finished stock**". You must relabel the "**merchandise**" or "**finished stock**", or its containers, to comply with the law.

We will assume the cost of stamping or removal and charge it to salvage expense.

3. We will not pay you more than your financial interest in the Covered Property.
4. This Commercial Property Coverage Part provides no rights or benefits to any other person or organization, unless otherwise provided. Any claim for loss that is covered under this Commercial Property Coverage Part must be presented by you. At our option, we may adjust the loss with the owners of lost or damaged property if other than you. If we pay the owners, such payment will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of Covered Property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Commercial Property Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
7. The first Named Insured shown on the Declarations will be the payee for any payment of claims that we may make with respect to this Commercial Property Coverage Part, subject to the Mortgageholders Condition below and any endorsements. However, our payment for loss or damage to "**personal property of others**" may be to the account of the owner of the property.

K. MORTGAGEHOLDERS

1. Mortgageholder includes trustee.
2. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown on the Declarations in their order of precedence, as interests may appear.
3. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - a. Pays the premium due under this Commercial Property Coverage Part at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy, or substantial change in risk known to the mortgageholder.

All of the terms of this Commercial Property Coverage Part will then apply directly to the mortgageholder.

5. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Commercial Property Coverage Part:
 - a. The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.
6. If we cancel the policy, we will give written notice to the mortgageholder at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew the policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

M. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions, and provisions as the insurance under this Commercial Property Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Commercial Property Coverage Part bears to the sum of all the Limits of Insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only the least of the following amounts:
 - a. Any Limit of Insurance applicable to the Covered Property that has sustained such loss or damage;
 - b. The amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not, without application of any deductible amounts contained elsewhere in this Commercial Property Coverage Part; or
 - c. The amount we would have paid had such other insurance not existed.
3. Paragraphs 1. and 2. above do not apply to other insurance that is purchased as insurance in excess of the Limit of Insurance under this Commercial Property Coverage Part.

N. POLICY PERIOD, COVERAGE TERRITORY

Under this Commercial Property Coverage Part:

1. We cover loss or damage which happens:
 - a. During the policy period shown on the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions); and
 - b. Puerto Rico.
3. When this Commercial Property Coverage Part provides coverage for property in transit:
 - a. The coverage territory is extended to Canada for property in transit as long as the origin or destination is included in 2. above, except when property is being transported by a vessel.
 - b. The coverage territory is extended to everywhere else in the world for property while being transported by an aircraft, as long as either the origin or destination is included in 2. above and neither the origin nor the destination is in any country upon which the United States government has imposed sanctions, embargoes or similar prohibitions.
4. If the property is in transit by a vessel that originated outside the coverage territory included in 2. above, then coverage commences when the property has been fully discharged from the vessel onto a point within the coverage territory.
5. If the property is in transit by a vessel with a destination outside the coverage territory included in 2. above, then coverage ends when the property has been loaded on board the vessel.

O. RECOVERED PROPERTY

1. If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may do one of the following:
 - a. Keep the loss payment and transfer the recovered property to us; or
 - b. Keep the recovered property and return the loss payment to us. If you do this, we will pay for the recovery expenses and the expense to repair the recovered property up to the applicable Limit of Insurance.
2. The amount of loss can be reduced by any salvage recovery through the sale of the damaged Covered Property.
 - a. If, following a loss, a recovery is made from the sale of damaged Covered Property and your claim has not yet been paid, we will be entitled to this salvage recovery until we have recovered our salvaging fees and expenses. The balance of the salvage recovery will be paid to you and the amount of your loss settlement will be reduced by this balance.
 - b. If your claim has already been paid when a salvage recovery is made, we will be entitled to the salvage proceeds until we have recovered the difference between the amount we paid you for your claim and the amount we would have paid you had the salvage recovery been handled in accordance with a. above. Any balance of the salvage recovery will then be promptly refunded to you.

P. SUSPENDED EQUIPMENT

We, or any of our representatives, have the right to declare property to be "**suspended equipment**" when the property is found to be in, or exposed to, a dangerous condition, provided we have:

1. Told you of the dangerous condition immediately upon discovering it and informed you of its designation as "**suspended equipment**"; and
2. Mailed or delivered a written notice of such condition and designation, within 24 hours of the discovery, which notice is mailed or delivered to:
 - a. Your last known address; or
 - b. The address where said object is located.

Any designation of "**suspended equipment**" can only be rescinded, in writing, by endorsement to this Commercial Property Coverage Part.

Any designation of "**suspended equipment**" will result in your receiving a pro rata refund of premium you paid for the coverage of that property under this Commercial Property Coverage Part. However, any designation of "**suspended equipment**" will be in effect if we have not yet made or offered the refund.

Q. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Commercial Property Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and cooperate with our efforts to recover our payment and must do nothing after loss to impair our rights. But you may, without restricting your coverage, waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured under this Commercial Property Coverage Part;

- b.** A business firm owned or controlled by you;
- c.** A business firm, or an individual, that owns or controls you; or
- d.** Your tenant.

Any recovery as a result of subrogation proceedings arising out of a covered loss, net of fees (including legal fees) and expenses we incur in such subrogation proceedings, will be shared with you in the following manner:

- 1.** We will add the amount of any deductible you incurred to the amount of any other provable uninsured loss you incurred. This is your interest.
- 2.** We will determine the proportion your interest bears to the entire provable loss (both insured and uninsured). This is your pro rata share.
- 3.** We will reimburse to you your pro rata share of the recovery after deduction, from the total recovery, of recovery expenses paid by us and after deduction of any legal fees paid by us. We will retain the balance. We will not owe you any amount for any legal fees or any expenses incurred by you in furtherance of any recovery unless those fees or expenses are approved by us in writing and in advance of your incurring those fees or expenses.



Commercial Property Definitions

1. **"Accounts receivable records"** means accounting records you use to document the billing and collection of **"money"** due from your customers, regardless of what material it is inscribed, printed, written, or recorded upon.
2. **"Actual cash value"** means **"replacement cost"** reduced by each of the following:
 - a. Physical deterioration;
 - b. Depreciation;
 - c. Obsolescence;
 - d. Depletion;
 - e. Non-conformity to codes, regulations, or statutes; and
 - f. The cost to reconstruct or remodel undamaged portions of **"real property"**.

But in no event will **"actual cash value"** be higher than the **"market value"**.

3. **"Amount you actually spend"** means:
 - a. The total payments you make to an entity you do not own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**; and
 - b. For goods and services provided by entities you own or operate at the time of loss or damage to repair the damaged **"real property"** or **"personal property"**:
 - 1) Direct payroll cost, excluding fixed payroll, for labor directly chargeable to the repair, rebuilding, or replacement of the damaged property;
 - 2) **"Replacement cost"** for your **"merchandise"** used in the repair, rebuilding, or replacement of the damaged property;
 - 3) Regular cash selling price, less any discounts and expenses you otherwise would have had, for your **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property; and
 - 4) **"Replacement cost"** for your property other than **"merchandise"** or **"finished stock"** used in the repair, rebuilding, or replacement of the damaged property if replaced within 24 months, otherwise your original cost.
4. **"Banking premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
5. **"Business income"** means:
 - a. **"Net income"**; plus
 - b. **"Continuing expenses"**.
6. **"Cessation of work"** means any period of time when your business activities have ceased.

"Cessation of work" does not mean:

- a. Any period of time during which your business activities would not normally have been conducted, such as weekends or holidays;
 - b. Seasonal activity planned in advance;
 - c. Schedule delays due to weather; or
 - d. Labor actions beyond your control.
7. **"Cloud facility"** means a data center(s) owned and operated by others whom you depend on to provide **"information technology services"**.
8. **"Computer systems"** means:
- a. Computer hardware, software, and electronic data;
 - b. Input and output devices;
 - c. Data storage devices;
 - d. Networking equipment and components;
 - e. Firmware; and
 - f. Electronic backup facilities, including systems accessible through the internet, intranets, or virtual private networks.
9. **"Contaminant"** means any substance that creates an impurity when it mixes with or comes into contact with another substance.
10. **"Continuing expenses"** means:
- a. Your continuing normal operating expenses including, but not limited to:
 - 1) Payroll;
 - 2) Rental payments as tenants; and
 - 3) Factory overhead; and
 - b. Charges, which are the legal obligations of your tenants and have not been satisfied, and which are now your obligation.
- "Continuing expenses"** does not mean:
- a. **"Extra expense"**;
 - b. Expediting expense;
 - c. **"Research and development continuing expenses"**;
 - d. Any charges or expenses that do not necessarily continue during the **"period of restoration"** or **"extended period of indemnity"**; or
 - e. Bad debts.
11. **"Contractor's employees' property"** means tools and clothing owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

12. "Contractor's equipment" means:

- a. Equipment, tools, machinery, and other mechanical and electrical devices of a mobile nature used for contracting, installation, erection, repair, or moving operations or projects;
- b. Self-propelled vehicles designed and used primarily to carry mounted equipment;
- c. Vehicles designed for highway use that are unlicensed and not operated on public roads; and
- d. Watercraft, marine floats, or barges less than 26 feet long,

owned by you or owned by others in your care, custody, or control.

"Contractor's equipment" does not mean:

- a. Contraband or property in the course of illegal transportation or trade;
- b. Aircraft;
- c. Railroad cars;
- d. Temporary or permanent forms, shoring, scaffolding, or falsework;
- e. **"Contractor's employees' property"**; or
- f. Recreational watercraft.

13. "Contributing locations" means locations owned and operated by others who:

- a. You depend on to deliver materials or services directly to you, or to others under your contract of sale; or
- b. Pay you royalties, licensing fees, or commissions under written agreements.

"Contributing locations" does not mean:

- a. Locations owned and operated by others who you depend upon to provide only power, communications, or other utility services to you; or
- b. **"Manufacturing locations"**.

14. "Covered cause of loss" means a fortuitous cause or event, not otherwise excluded, which actually occurs during this policy period.

"Covered cause of loss" does not mean:

- a. A fortuitous cause or event, whether or not excluded, which actually occurred prior to this policy period, regardless of the date on which it first becomes manifest or is first discovered; or
- b. Damage.

15. "Defective materials" means materials which are broken, inadequate, improper, faulty, flawed, improperly specified, contaminated, unfit for the purpose intended, or which contain a latent defect.

16. "Denial of service" means the direction of a high volume of inquiries to web site or e-mail destinations, effectively denying or limiting legitimate access, whether or not known to you.

17. "Dependent premises" means the following types of locations:

- a. **"Contributing locations"**;
- b. **"Recipient locations"**;

c. **"Manufacturing locations"**; and

d. **"Leader locations"**.

If the location is described by an address only, it includes the area associated with that address in which you or the occupant are legally entitled to conduct **"operations"** and includes that area extending 1,000 feet beyond that address.

If the location is described by an address and further described by geographic boundaries, only the area within such boundaries, and within 1,000 feet thereof, is included.

"Dependent premises" does not mean any of the above locations within any country in which the United States government or Canadian government have imposed sanctions, embargoes, or similar prohibitions.

18. **"Duplicate information property"** means recorded information in any format which can either be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Duplicate information property" does not mean:

a. **"Stock"**;

b. **"Fine arts"**;

c. **"Money"**;

d. **"Securities"**; or

e. **"Electronic data processing hardware"**.

19. **"Earth movement"** means earthquake or other seismic activity, rising or shifting of earth (including frost heaves), or subsidence other than **"sinkhole collapse"**.

"Earth movement" does not mean landslide, avalanche, or volcanic eruption, explosion or effusion, or tsunami.

20. **"Electronic data processing hardware"** means:

a. A network of electronic components capable of accepting information and processing it according to a plan and which exists primarily to generate information in tangible form or on electronic media, as well as air conditioning equipment and fire protection equipment used exclusively for data processing operations;

b. Telephone equipment; and

c. Facsimile equipment.

"Electronic data processing hardware" does not mean computers, devices, or components which:

a. Exist primarily to control or operate machinery or equipment or to produce **"stock in process"** or **"finished stock"**; or

b. Are **"stock"**.

21. **"Electronic vandalism"** means:

a. Willful or malicious electronic alteration, manipulation, tampering, or destruction of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, **"original information property"**, or **"research and development property"**;

b. Introduction of a virus, code, or similar instruction that disrupts the normal operation of **"electronic data processing hardware"** and may destroy, alter, contaminate, or compromise the integrity, quality, or

performance of **"accounts receivable records"**, **"duplicate information property"**, **"electronic data processing hardware"**, **"original information property"**, or **"research and development property"**;

- c. Unauthorized viewing, copying, or use of any electronic **"accounts receivable records"**, **"duplicate information property"**, **"original information property"**, or **"research and development property"**; and
- d. **"Denial of service"**.

22. **"Equipment breakdown cause of loss"** means any of the following:

- a. Artificially generated electrical current, including electrical arcing, that injures or disturbs electrical devices, wiring, or equipment;
- b. Explosion, rupture, or bursting of steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the products of combustion pass;
- c. Any condition or event inside steam boilers, steam pipes, steam engines, steam turbines, gas turbines, or apparatus attached to and forming a part thereof, when owned, operated, or controlled by you; except for explosion of accumulated gases or fuel within the furnace of any fired vessel, other than gas turbines, or within the flues or passages through which the gases of combustion pass;
- d. Any condition or event, other than an explosion, inside hot water boilers, other water heating equipment, engines other than steam engines, or pressure vessels when owned, operated, or controlled by you; and
- e. Mechanical or machinery breakdown, including rupture or bursting caused by centrifugal force, of property owned, operated, or controlled by you.

23. **"Extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:

- a. The date your gross sales, including rental income, are restored to the amount that would have existed if no direct physical loss or damage occurred; or
- b. The date calculated by adding the number of days shown on the Declarations for Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.

"Extended period of indemnity" does not mean **"research and development extended period of indemnity"**.

24. **"Extra expense"** means operating expenses you incur during the **"period of restoration"** that would not have been necessary to incur if there had been no direct physical loss or damage to the property, provided such expenses are incurred:

- a. In an attempt to avoid a **"suspension"** of or to continue those **"operations"** which have been affected by the direct physical loss or damage to the property; or
- b. In an attempt to minimize the **"period of restoration"**.

"Extra expense" does not mean:

- a. Costs incurred to purchase **"merchandise"** as a replacement for your **"finished stock"**;
- b. **"Continuing expenses"** or **"research and development continuing expenses"**;
- c. Costs to repair, rebuild, or replace any property, or research or restore **"original information property"**; or
- d. Amounts incurred on financing or investment activity conducted for your own account.

25. **"Fine arts"** means paintings, etchings, pictures, tapestries, and other bona fide works of art, rarity, historical value, or artistic merit such as rugs, statuary, marbles, bronzes, antiques, furniture, rare books, antique silver, manuscripts, porcelains, rare glass, and bric-a-brac.
26. **"Finished stock"** means **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale.
- "Finished stock"** does not mean **"goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.
27. **"Fire protection sprinkler system piping"** means valves, fittings, and piping located above the lowest floor, and limited to risers, check valves, control valves, gauges, feed mains, cross mains, branch lines, arm-overs, sprigs, and automatic sprinkler heads located inside the building as part of the fire protection sprinkler system.
28. **"Flood"** means a general and temporary condition of partial or complete inundation of land areas from:
- a. The overflow, or the expansion beyond normal boundaries, of inland or tidal waters, including natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water or watercourse;
 - b. Waves or tides, including tsunami;
- or their spray, whether driven by wind or not.
29. **"Fungus"** means any type or form of fungus, mold, or mildew and any mycotoxins, spores, scents, or by-products produced or released by fungi.
30. **"Goods you have manufactured"** means:
- a. Goods manufactured at a location you own or operate; and
 - b. Goods manufactured at a location that you do not own or operate, provided:
 - 1) You contracted for the goods to be manufactured exclusively for you; and
 - 2) You are the owner or licensee of the design, patent, trademark, or copyright for the goods.
31. **"Green roofing systems"** means environmentally friendly roof coverings as defined by the LEED® Green Building Rating System™ of the U.S. Green Building Council or any other trees, shrubs, plants, grass, or lawns and other landscaping materials which are part of a vegetated roof.
32. **"Gross leasehold interest"** means:
- a. The monthly rental value of the **"premises"** or **"reported unscheduled premises"** you rent or lease on the date the direct physical loss or damage occurs; minus
 - b. The actual monthly rent you pay, including taxes, insurance, janitorial, or other services you pay as part of the rent.
- Example:
- | | |
|--|--------------|
| Monthly rental value of your leased "premises" : | \$1,000 |
| Monthly rent including taxes, insurance, janitorial, or other services that you pay for as part of the rent: | - \$700 |
| "Gross leasehold interest" | \$300 |

33. **"Improvements and betterments"** means fixtures, alterations, installations, or additions:

- a. Comprising a part of the building you occupy as a tenant but do not own;
- b. Made or acquired at your expense exclusive of rent paid by you or for which you are legally required by written contract to insure; and
- c. Which you cannot remove legally.

34. **"Information technology services"** means technology services provided under a written contract consisting of:

- a. Maintaining, managing, or controlling **"computer systems"**;
- b. Hosting or facilitating your internet website or web application(s); and
- c. Other related technology services.

"Information technology services" does not mean video, voice, or data communication services.

35. **"Installation property"** means materials, supplies, equipment, and machinery, and any other similar property owned by you or owned by others, which are in your care, custody, or control, that you are contractually responsible for, which are intended to become a permanent part of an **"installation or service premises"**.

"Installation property" does not mean **"landscaping materials"** or land.

36. **"Installation or service premises"** means a location that is not owned, leased, or operated by you, at which you are installing, constructing, or servicing property.

"Installation or service premises" does not mean a **"rigging premises"**.

37. **"Landscaping materials"** means trees, shrubs, plants, grass, lawns, and other landscaping materials, including **"green roofing systems"** owned by you or owned by others, which are in your care, custody, or control that you are contractually responsible for, and intended to become a permanent part of an **"installation or service premises"**.

"Landscaping materials" does not mean trees, shrubs, plants, grass, lawns, or other landscaping materials or **"green roofing systems"** that exist as a permanent part of an **"installation or service premises"** prior to the start of the project.

38. **"Leader locations"** means locations owned and operated by others who you depend on to attract customers to your business.

39. **"Malfunction"** means any abnormal or imperfect function, including the failure to function, of machinery, systems, apparatus, or equipment.

40. **"Manager"** means a person elected by the **"members"** to direct the limited liability company's business affairs.

41. **"Manufacturing locations"** means locations owned and operated by others who you depend on to manufacture products for delivery to your customers under contract of sale.

42. **"Market value"** means the price which the property might be expected to realize if offered for sale in a fair market on the date of loss or damage.

43. **"Member"** means an owner of a limited liability company represented by its membership interest, who also may serve as a **"manager"**.

44. **"Merchandise"** means:

- a. Goods held for sale or installation by you which are not **"goods you have manufactured"**; and

- b. **"Goods you have manufactured"** which are completed and ready for packing, shipment, installation, or sale on a **"premises"** or **"reported unscheduled premises"** of any retail outlet at which you are insured by Business Income Insurance.
45. **"Microorganism"** means any type or form of organism of microscopic or ultramicroscopic size including, but not limited to, **"fungus"**, wet or dry rot, virus, algae, or bacteria, or any by-product.
46. **"Mistake"** means any act or decision, whether intentional or negligent, including the failure to act or decide, of any person, group, organization, or governmental body which creates or allows a result which is unexpected, inadequate, defective, faulty, or otherwise unsuitable for the intended purpose.
47. **"Money"** means:
- Currency, coins, bullion, or bank notes, whether or not in current use; and
 - Travelers checks, register checks, food stamps, and money orders held for sale to the public.
48. **"Monthly leasehold interest"** means the original costs you paid for:
- Bonus Payments – **"Money"** you originally paid to acquire your lease, but not including rent, prepaid rent, or security; and
 - Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments, divided by the number of months left in your lease at the time of the expenditure.
- Example:
- | | |
|---|--------------|
| Original cost of Bonus Payment | \$4,000 |
| With 20 months left in the lease at the time of Bonus Payment | ÷20 |
| "Monthly leasehold interest" | \$200 |
49. **"Net income"** means the net profit or loss, including rental income from tenants, that would have been earned or incurred before taxes.
50. **"Net leasehold interest"** means the sum of:
- The net present value of your **"gross leasehold interest"** for each remaining month of your lease, discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
 - Your **"monthly leasehold interest"** times the number of months left in your lease on the date direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% Prime Rate:

"Gross leasehold interest"	\$300
Net Present Value Factor x 18.419 for 20 months	X 18.419
Subtotal a.	\$5,526
"Monthly leasehold interest"	\$200
With 20 months left in lease	x 20
Subtotal b.	\$4,000

"Net leasehold interest"

Subtotal **a.** + Subtotal **b.** \$9,526

51. "Newly acquired premises" means a permanently fixed location you own, lease, rent, or control. The location becomes a **"newly acquired premises"** on the later of:

- a.** The date you obtain possession or control of the location; or
- b.** The date **"real property"** or **"personal property"** in which you have an insurable interest is first placed at the location.

"Newly acquired premises" does not mean:

- a.** A **"premises"**;
- b.** An **"unreported premises"**;
- c.** A **"reported unscheduled premises"**;
- d.** A fair or exhibition;
- e.** An **"installation or service premises"**;
- f.** A **"rigging premises"**; or
- g.** A **"temporary storage location"**.

52. "Off-premises service interruption" means the interruption of power or other utility services supplied to a covered location, however caused, if the interruption takes place away from the covered location.

53. "Operations" means:

- a.** Your business activities occurring at the covered location prior to the physical loss or damage; and
- b.** The covered location is tenantable prior to the physical loss or damage.

"Operations" does not mean:

- a.** The activities of those with whom you do business;
- b.** Investing or financing activities conducted for your own account; or
- c.** **"Research and development operations"**.

54. "Original information property" means recorded information in any format which cannot be copied from an existing original or duplicate or replaced by purchasing an existing duplicate that is available for sale, including any material it is recorded upon.

"Original information property" does not mean:

- a.** **"Stock"**;
- b.** **"Fine arts"**;
- c.** **"Money"**;
- d.** **"Securities"**;
- e.** **"Electronic data processing hardware"**; or
- f.** **"Research and development property"**.

55. **"Outdoor trees, shrubs, plants, or lawns"** means outdoor trees, shrubs, plants, grass, or lawns you own.

"Outdoor trees, shrubs, plants, or lawns" does not mean:

- a. Growing crops;
- b. Standing timber;
- c. **"Landscaping materials"**;
- d. **"Stock"**, or
- e. **"Green roofing systems"**.

56. **"Period of restoration"** means the period of time that begins when:

- a. The direct physical loss or damage that causes **"suspension"** of your **"operations"** occurs; or
- b. The date **"operations"** would have begun if the start of **"operations"** is delayed because of loss of or damage to any of the following:
 - 1) **"Real property"**, whether complete or under construction;
 - 2) Alterations or additions to **"real property"**; or
 - 3) **"Personal property"**:
 - a) Used in such construction, alterations, or additions;
 - b) Incidental to the occupancy of the area intended for construction, alteration, or addition; or
 - c) Incidental to the alteration of the occupancy of an existing building or structure.

If you resume **"operations"**, with reasonable speed, the **"period of restoration"** ends on the earlier of:

- a. The date when the location where the loss or damage occurred could have been physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if the location had been restored to the physical size, construction, configuration, location, and material specifications which would satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; or
- b. The date when a new permanent location is physically capable of resuming the level of **"operations"** which existed prior to the loss or damage, if you resume **"operations"** at a new permanent location.

If you do not resume **"operations"**, or do not resume **"operations"** with reasonable speed (whether at your **"premises"** or **"reported unscheduled premises"** or elsewhere), the **"period of restoration"** will end on the date when the location where the loss or damage occurred could have been restored to the physical size, construction, configuration, location, and material specifications which existed at the time of loss or damage, with no consideration for any time:

- a. Which would have been required to make changes in order to satisfy the minimum requirements necessary to obtain all required building permits, occupancy permits, operating licenses, or similar documents; and
- b. Which would have been necessary to make the location physically capable of resuming the level of **"operations"** which existed prior to the loss or damage after the completion of repairs, replacement, or rebuilding.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration date of this policy will not cut short the **"period of restoration"**.

57. **"Personal property"** means:

- a. **"Your personal property"**;
- b. **"Your employees' personal property"**;
- c. **"Personal property of others"** in your care, custody, or control;
- d. The value of labor, materials, or services furnished or arranged by you on **"personal property of others"**;
- e. Your interest in **"improvements and betterments"** to buildings or structures; and
- f. Glass which, as a tenant, you are required to insure.

"Personal property" does not mean:

- a. Naturally occurring water;
- b. Growing crops or standing timber;
- c. **"Outdoor trees, shrubs, plants, or lawns"**;
- d. **"Green roofing systems"**;
- e. **"Money"**, bills, notes, or **"securities"**;
- f. Contraband or property in the course of illegal transportation or trade;
- g. Animals, unless:
 - 1) Owned by others and boarded by you; or
 - 2) Owned by you as **"stock"** while inside of buildings;
- h. **"Fine arts"**;
- i. **"Original information property"**;
- j. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - 1) Are licensed for use on public roads; or
 - 2) Are operated principally away from a **"premises"** or **"reported unscheduled premises"**;

But not:

- 1) Vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale, other than vehicles licensed for use on public roads;
- 2) Vehicles licensed for use on public roads that you manufacture, process, warehouse, or hold for sale, while on a **"premises"** or **"reported unscheduled premises"**; or
- 3) Unpowered watercraft while out of water on a **"premises"** or **"reported unscheduled premises"**;
- k. Property contained in underground mines, mine shafts, caverns, open pits, or quarries; or
- l. **"Research and development property"**.

58. **"Personal property of others"** means personal property not owned by you, your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

59. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant, or **"contaminant"**, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

60. "Premises" means:

A location scheduled on the Declarations for this Commercial Property Coverage Part.

- a. If the location is described by an address only, it includes the area associated with that address in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond the address.
- b. If the location is described by an address and further described by geographic boundaries, it includes only the area within such geographic boundaries in which you are legally entitled to conduct your business activities and includes that area extending 1,000 feet beyond that area.

If you are a tenant, for purposes of **"time element coverage"**, **"premises"** includes those portions of the location not rented or intended to be rented to others.

61. "Raw stock" means material in the state in which you acquired it for conversion into "finished stock".

62. "Real property" means:

- a. Buildings, including their **"green roofing systems"**;
- b. Permanent structures;
- c. Equipment and apparatus used to maintain or service the buildings, structures, or their **"premises"** or **"reported unscheduled premises"**; and
- d. Materials, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the buildings or permanent structures.

"Real property" does not mean:

- a. **"Fine arts"**;
- b. Land;
- c. Water;
- d. Underground mines, mine shafts, caverns, open pits, or quarries;
- e. Growing crops or standing timber;
- f. **"Outdoor trees, shrubs, plants, or lawns"**;
- g. **"Research and development property"**;
- h. **"Contractor's equipment"**;
- i. **"Contractor's employees' property"**;
- j. **"Installation property"**;
- k. **"Landscaping materials"**; or
- l. Property of others in your care, custody, or control for **"rigging"**.

63. "Recipient locations" means locations owned or operated by others, who you depend on to accept your products or services.

64. "Replacement cost" means the lesser of:

a. Repair Cost

The cost to repair the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance

with all applicable zoning, land use, or construction codes in force at the time of loss or damage. This includes the cost to reconstruct or remodel undamaged portions of the **"real property"** when those costs are a consequence of enforcement of such codes.

b. Rebuild Cost

The cost to rebuild the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss or damage. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on rebuilding at the same location where the loss occurred.

c. Replace Cost

The cost to replace the **"real property"** or **"personal property"** at the time of direct physical loss or damage with new materials of like kind and quality, of similar size, for the same use or occupancy, and in compliance with all applicable zoning, land use, or construction codes in force at the time of loss. Unless otherwise required at the time of loss by the applicable codes, this cost will be based on replacing at the same location where the loss or damage occurred.

If property of the same kind and quality is no longer available, we will pay to replace it with other property of similar quality and function, including property of greater processing capacity.

"Real property" and **"personal property"** valuation includes the cost you paid for non-refundable or non-transferable extended warranties, maintenance contracts, or service contracts which were still in force at the time of loss or damage and are no longer valid as a result of loss of or damage to **"real property"** or **"personal property"**.

If there is an ordinance or law in force at the time of loss or damage that regulates zoning, land use, or construction of **"real property"** or **"personal property"** at the **"premises"** or **"reported unscheduled premises"**, and if loss or damage covered by this Commercial Property Coverage Part causes a demolition order to be issued pursuant to any such ordinance or law, **"replacement cost"** includes the costs to demolish and clear the site of the undamaged portion of the **"real property"** or **"personal property"**.

"Replacement cost" does not mean:

- a. Costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**;
- b. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling, or remediation of property due to contamination by **"pollutants"** or due to the presence, growth, proliferation, spread, or any activity of **"microorganisms"**; or
- c. Costs to comply with any ordinance or law that you were required to comply with before the loss or damage.

65. "Reported unscheduled premises" means permanently fixed locations for which you have submitted a schedule on file with us containing:

- a. The address of the location and includes that area extending 1000 feet beyond the address;
- b. An identification of the property, business income, or extra expense to be covered; and
- c. The value of such identified property, business income, or extra expense.

If you are a tenant, for purposes of **"time element coverage"**, **"reported unscheduled premises"** includes those portions of the location not rented or intended to be rented to others.

"Reported unscheduled premises" does not mean:

- a. A **"premises"**;

- b. A **"newly acquired premises"**;
 - c. An **"unreported premises"**;
 - d. A fair or exhibition;
 - e. An **"installation or service premises"**;
 - f. A **"temporary storage location"**;
 - g. A **"rigging premises"**; or
 - h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.
66. **"Research and development continuing expenses"** means your continuing normal operating expenses that are directly attributable to **"research and development operations"**, including payroll, rental payments as tenants, and factory overhead.
67. **"Research and development extended period of indemnity"** means the period of time that begins on the date the **"period of restoration"** ends and ends on the earlier of:
- a. The effective date of new contracts that will utilize that portion of your **"research and development continuing expenses"** attributable to a suspension, lapse, or cancellation for which coverage is provided under paragraph **b.** of the Extended Period of Indemnity Additional Coverage; or
 - b. The date calculated by adding the number of days shown on the Declarations for Research and Development Extended Period of Indemnity--Business Income to the date the **"period of restoration"** ended.
68. **"Research and development operations"** means your business activities where **"research and development property"** is being planned, created, developed, or tested.
69. **"Research and development property"** means:
- a. Information which cannot be duplicated or purchased from another source, including any material it is inscribed, printed, written, or recorded upon, including documents, manuscripts, records, data, or programs, developed or used in conjunction with any research and development project;
 - b. Original or experimental property;
 - c. Prototypes or samples;
 - d. Experiments in progress;
 - e. Biological products, processes, or cultures; and
 - f. **"Research animals"**.
- "Research and development property"** does not mean:
- a. Animals, other than **"research animals"**;
 - b. **"Money"**, bills, notes, or **"securities"**;
 - c. **"Stock"**;
 - d. **"Fine arts"**; or
 - e. Growing plants or crops.
70. **"Research animal"** means any multi-cellular organism that is used in your **"research and development operations"**.

71. **"Rigging"** means rigging, hoisting, moving, erecting, lowering, and millwright work.

72. **"Rigging premises"** means a location for the purpose of:

- a. **"Rigging"**;
- b. Assembling or dismantling work done in connection with a **"rigging"** project; or
- c. Operations incidental to a **"rigging"**, assembling, or dismantling project.

73. **"Salespersons samples"** means **"personal property"** that is in the custody of one of your salespersons and used only for sample purposes.

74. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or property and includes:

- a. Tokens, tickets, revenue, and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

"Securities" does not mean:

- a. **"Money"**; or
- b. Lottery tickets held for sale.

75. **"Sinkhole collapse"** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

"Sinkhole collapse" does not mean the:

- a. Sinking or collapse of land into man-made underground cavities;
- b. Sinking or collapse of land caused by or resulting from **"flood"**; or
- c. Cost of filling sinkholes.

76. **"Specified causes of loss"** means the following:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Riot or civil commotion;
- h. Vandalism;
- i. Leakage from fire extinguishing equipment;
- j. **"Sinkhole collapse"**;
- k. Volcanic action;
- l. Falling objects, excluding loss or damage to:

- 1) **"Personal property"** in the open; or
 - 2) The interior of buildings or property inside buildings, unless the roof or an outside wall of the building is first damaged by a falling object;
 - m. Weight of snow, ice, or sleet;
 - n. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam; and
 - o. **"Equipment breakdown cause of loss"**, excluding loss of or damage to **"stock"** caused by the discharge, dispersal, release, or escape of refrigerants.
77. **"Stock"** means the following:
- a. **"Raw stock"**;
 - b. **"Stock in process"**;
 - c. **"Finished stock"**; and
 - d. **"Merchandise"**.
78. **"Stock in process"** means **"raw stock"** which has undergone aging, seasoning, mechanical, or other process of manufacture but which has not become **"finished stock"**.
79. **"Suspended equipment"** means any boiler, fired or unfired vessel, refrigerating or air conditioning system, piping and its accessory equipment, and any mechanical or electrical machine or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, provided we have complied with the requirements described in the Suspended Equipment Condition contained in the COMMERCIAL PROPERTY CONDITIONS.
80. **"Suspension"** means:
- a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the covered location is rendered untenable.
81. **"Temporary storage location"** means a permanently fixed location that you lease, rent, or occupy for a period of less than one year where **"stock"** or **"installation property"** that is to become a permanent part of an **"installation or service premises"** is stored while waiting to be delivered to an **"installation or service premises"** and there is a written construction or installation contract or agreement to install that **"stock"** or **"installation property"** at that **"installation or service premises"**.
- "Temporary storage location"** does not mean:
- a. A **"premises"**;
 - b. A **"newly acquired premises"**;
 - c. A **"reported unscheduled premises"**;
 - d. A **"rigging premises"**;
 - e. A fair or exhibition; or
 - f. An **"unreported premises"**.
82. **"Time element coverage"** means the coverage provided under any of the following:
- a. BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE);

- b. BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY; or
- c. EXTRA EXPENSE COVERAGE FORM.

83. **"Unreported premises"** means a permanently fixed location that contains **"real property"** or **"personal property"** in which you have an insurable interest, but has not been reported to us.

"Unreported premises" does not mean:

- a. A **"premises"**;
- b. A **"newly acquired premises"**;
- c. A **"reported unscheduled premises"**;
- d. A **"rigging premises"**;
- e. A fair or exhibition;
- f. An **"installation or service premises"**;
- g. A **"temporary storage location"**; or
- h. With respect to loss or damage covered by any **"time element coverage"**, a **"dependent premises"**.

84. **"Your employees' personal property"** means personal property owned by your officers, directors, partners, **"managers"**, **"members"**, or employees (including leased or temporary employees).

85. **"Your personal property"** means personal property owned by you.



Real and Personal Property Coverage Form

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Real and Personal Property Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** directly caused by a **"covered cause of loss"**. We will not pay more in any one occurrence than the applicable Limit of Insurance shown on the Declarations for such loss of or damage to Covered Property at that **"premises"**.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Cracking and Settling

We will not pay for loss or damage caused by or resulting from bulging, cracking, shrinkage, expansion, or settling of **"real property"** or **"personal property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

3. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

4. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

5. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"real property"** or **"personal property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

6. Electronic Vandalism

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

8. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

9. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**;

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

10. Impact Damage

We will not pay for loss or damage caused by or resulting from water, including water pressure, ice, or impact of watercraft to buildings or structures located on or partially over water, including retaining walls, bulkheads, piers, wharves, docks, or any other property located on those structures. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. Off-Premises Service Interruption

We will not pay for loss or damage caused by or resulting from any **"off-premises service interruption"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

15. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of **"pollutants"**. But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a **"specified cause of loss"**, we will pay only for that portion of the loss or damage solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

16. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, calibration, development, distribution, installation, manufacturing, maintenance, processing, repair, research, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,
- of part or all of any property on or off a **"premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even if this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

17. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

18. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. LIMITATIONS

1. The following types of property are covered only up to the Limits of Insurance shown below in any one occurrence for loss or damage due to theft:

- a. \$2,500 for furs, fur garments, and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals.

This limit does not apply to:

- i. Jewelry or watches worth \$100 or less per item; or
 - ii. Precious or semiprecious stones or metals used for industrial purposes.
- c. \$250 for lottery tickets held for sale.

These Limits of Insurance are included in, and not in addition to, any other applicable Limits of Insurance.

2. We will pay for direct physical loss of or damage to **"green roofing systems"** directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:
 - a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
 - b. Disease;
 - c. Changes in or extremes of temperature;
 - d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
 - e. Rain, snow, hail, ice, or sleet.

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. VALUATION

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or
 - b. The **"amount you actually spend"** to repair, rebuild, or replace the **"real property"** or **"personal property"** at the same or another location.
2. Except as provided in 3., 5., 6., and 7. below, **"real property"** or **"personal property"**, other than **"improvements and betterments"**, which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"real property"** or **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement, we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.

3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Improvements and betterments"** at:
 - a. The **"replacement cost"** if you make repairs with reasonable speed.
 - b. A proportion of your original cost if you do not make repairs with reasonable speed. We will determine the proportionate value as follows:
 - 1) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - 2) Divide the amount determined in 1) above by the number of days from the installation of **"improvements and betterments"** to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will be used as the expiration of the lease.
 - c. That portion which has not been paid if others pay for repairs, rebuilding, or replacement.
6. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
7. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.

F. OPTIONAL COVERAGE

Margin Clause

If Margin Clause is shown on the Declarations, we will not pay more than the lesser of the following:

1. The amount of covered loss or damage at the **"premises"**; or
2. The percentage applied to the applicable Limit of Insurance for such property at the **"premises"**.

The most we will pay is the applicable percentage shown on the Declarations for Margin Clause. However, in no event will we pay more than \$5,000,000 over the applicable Limits of Insurance shown on the Declarations for that **"premises"**.

This Optional Coverage for **"real property"** or **"personal property"** does not apply to:

1. Any Limit of Insurance applicable to more than one **"premises"**; or
2. Any other Limit of Insurance applicable for which a specific coverage Limit of Insurance is provided.



Additional Coverages Form

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Additional Coverages Form

A. ADDITIONAL COVERAGES

The following are Additional Coverages to coverages set forth in this Commercial Property Coverage Part. If you have not chosen a coverage elsewhere in this Commercial Property Coverage Part, there is no coverage under its corresponding Additional Coverages. For example, if you do not have coverage for "**stock**" under the REAL AND PERSONAL PROPERTY COVERAGE FORM, you will not have coverage related to "**stock**" under the Consequential Loss--Undamaged Stock Additional Coverage, or any other Additional Coverage for "**stock**".

Each of the following Additional Coverages apply independently of one another. Unless otherwise stated, the excluded causes of loss, exclusions, terms, and conditions in the applicable Coverage Forms apply to these Additional Coverages.

The most we will pay for loss, damage, cost, or expense under any of the following Additional Coverages are the Limits of Insurance shown on the Declarations. Limits for these Additional Coverages apply in addition to any other applicable policy limits, unless otherwise stated.

1. Consequential Loss--Net Leasehold Interest

We will pay for the loss of "**net leasehold interest**" you sustain when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to "**real property**" or "**personal property**" directly caused by a "**covered cause of loss**" at a "**premises**" or "**reported unscheduled premises**". We will not pay more than the "**net leasehold interest**" at the time of the cancellation of the lease. However, if your lease is cancelled and your landlord lets you continue to use the "**premises**" or "**reported unscheduled premises**" under a new lease, we will not pay more than:

- a. The rent you will pay under the new lease; minus
- b. The rent you were paying at the time of cancellation.

We will not pay under this Additional Coverage if the "**premises**" or "**reported unscheduled premises**" where the lease is cancelled had been vacant for more than 60 consecutive days prior to the loss or damage unless you had entered into an agreement to sublease the "**premises**" or "**reported unscheduled premises**".

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Consequential Loss--Net Leasehold Interest.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Consequential Loss--Tenant's Improvements and Betterments

We will pay for the value of undamaged **"improvements and betterments"** when your lease is cancelled:

- a. By the lessor; and
- b. As a result of a valid condition of your lease,

due to direct physical loss of or damage to **"real property"** or **"personal property"** directly caused by a **"covered cause of loss"** at a **"premises"** or **"reported unscheduled premises"**.

If you rent an entire building, we will pay only if:

- a. At least 25% of the area of that entire building has been damaged; or
- b. A minimum of 6 months remains in your current lease and at least 6 months is required to repair the building for your occupancy.

If you rent a portion of a building, we will only pay if:

- a. A minimum of 6 months remains in your lease; and
- b. At least 6 months is required to repair the building for your occupancy.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Tenant's Improvements and Betterments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Consequential Loss--Undamaged Stock

We will pay for the consequential loss in value of undamaged **"stock"** which has become unmarketable as a complete product because of direct physical loss of or damage to other **"stock"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Consequential Loss--Undamaged Stock.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Contamination by a Refrigerant

We will pay for direct physical loss of or damage to **"stock"** caused by the release or escape of refrigerants from any equipment located at a **"premises"** or **"reported unscheduled premises"** provided the release or escape was not caused by or resulted from **"flood"** or **"earth movement"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Contamination by a Refrigerant.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

5. Debris Removal

- a. We will pay your expense to remove debris of Covered Property, for which a Limit of Insurance is shown on the Declarations, remaining after a **"covered cause of loss"**. The most we will pay under this Additional Coverage for Debris Removal is the remaining applicable Limit of Insurance for the Covered Property shown on the Declarations after payment of the covered physical loss or damage.

If the total of the loss or damage and debris removal expense exceeds the applicable Limit of Insurance, we will pay the remaining debris removal expenses. The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Supplemental Limit.

- b. If wind causes direct physical loss of or damage to Covered Property, we will also pay for the expenses you incur to remove debris of uncovered property that is blown on to the **"premises"** or **"reported unscheduled premises"** by wind and to remove debris of **"outdoor trees, shrubs, plants, or lawns"** damaged by wind.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Debris Removal--Uncovered Property.

In no event will there be any coverage under this Debris Removal Additional Coverage for any costs to:

- a. Extract **"pollutants"** from land or water; or
- b. Remove, restore, or replace polluted land or water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date of loss or damage.

6. Deferred Payments

We will pay your financial interest in **"personal property"** that suffers direct physical loss or damage directly caused by a **"covered cause of loss"** after delivery to buyers and sold by you on a conditional sale or trust agreement, or any installment or deferred payment plan.

This Additional Coverage does not apply to default of such agreement or plan by the buyer.

We will determine the amount of covered loss or damage as follows:

- a. In the event of a total loss and the buyer refuses to continue payment, coverage will be valued based on the amount shown on your books as due from the buyer;
- b. In the event of partial loss or damage and the buyer refuses to continue payment, forcing you to repossess, coverage will be valued as follows:

If the realized value of the repossessed **"personal property"** is:

- 1) Greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- 2) Less than the amount shown on your books as due from the buyer, we will pay the difference, less any amount that was past due at the time of loss by more than 30 days; and
- c. When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Deferred Payments.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

7. Electronic Vandalism--Direct Damage

We will pay for loss of or damage to **"accounts receivable records", "duplicate information property", "electronic data processing hardware", "original information property" or "research and development property"** caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

8. Expediting Expense

In the event of covered loss of or damage to **"real property" or "personal property"** at a **"premises" or "reported unscheduled premises"** directly caused by a **"covered cause of loss"**, we will pay reasonable and necessary additional expenses you incur for temporary repair of damage to such **"real property" or "personal property"** and the additional expenses you incur for expediting the permanent repair or replacement of such damaged property. This Additional Coverage does not include expenses recoverable elsewhere in this Commercial Property Coverage Part.

The most we will pay under this Additional Coverage at any one **"premises" or "reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Expediting Expense.

9. Fairs or Exhibitions

We will pay for direct physical loss of or damage to **"personal property"**:

- a. At fairs or exhibitions; and
 - b. In transit to or from fairs or exhibitions,
- directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Personal Property.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

10. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a **"covered cause of loss"** at a **"premises" or "reported unscheduled premises"**, we will pay for your liability for the fire department service charges:

- a. Assumed by contract or agreement prior to loss; or
- b. Required by local ordinance, law, or statute.

We will also pay for those costs incurred by your fire brigade to save or protect Covered Property from a fire, but not including the costs to refill fire protective equipment.

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Fire Department Service Charge.

No deductible applies to this Additional Coverage.

11. Fire Protective Equipment Refills

We will pay the reasonable and necessary costs you incur to refill fire protective equipment which has been discharged:

- a. Accidentally; or
- b. In the course of saving or protecting Covered Property from a "**covered cause of loss**".

No Limit applies to this Additional Coverage.

12. Inflation Guard

The Limits of Insurance to which the Inflation Guard applies will automatically increase by the annual percentage shown on the Declarations.

The amount of the increase will be:

- a. The Limit of Insurance that applied on the most recent of this Commercial Property Coverage Part's inception date, anniversary date, or date of any other Commercial Property Coverage Part change amending the Limit of Insurance, multiplied by
- b. The percentage of annual increase shown on the Declarations, expressed as a decimal (Example: 8% is .08), multiplied by
- c. The number of days since the beginning of the most recent Commercial Property Coverage Part year or the effective date of the most recent Commercial Property Coverage Part change amending the Limit of Insurance, divided by 365.

Example:

If:	The applicable Limit of Insurance is	\$100,000
	The annual percentage increase is	8%
	The number of days since the beginning of the Coverage Part Year (or last Coverage Part change) is	146
Then:	The amount of increase is $\$100,000 \times .08 \times 146 / 365 = \$ 3,200$	
	The available Limit of Insurance is	\$103,200

13. Lock and Key Replacement

We will pay the reasonable cost of:

- a. Entry key replacement if keys to a "**premises**" or "**reported unscheduled premises**" are stolen; or
- b. Entry lock repair or replacement made necessary by theft or attempted theft at a "**premises**" or "**reported unscheduled premises**".

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The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Lock and Key Replacement.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

14. **Microorganisms**

We will pay the following when **"microorganisms"** are the result of a **"covered cause of loss"**, other than fire or lightning:

- a. Direct physical loss of or damage to Covered Property caused by **"microorganisms"**, including the cost of removal of the **"microorganisms"**;
- b. The reasonable cost to tear out and replace any part of the covered building or other property needed to gain access to the **"microorganisms"**; and
- c. The reasonable cost of testing performed after removal, repair, replacement, or restoration of the damaged property is completed, provided there is a reason to believe that the **"microorganisms"** are still present.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms. Regardless of the number of claims, this Limit is the most we will pay for the total of all loss, damage, or cost, even if the **"microorganisms"** continue to be present, active, or recur.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

15. **Newly Acquired Premises**

We will pay for direct physical loss of or damage to **"real property"** or **"personal property"** at a **"newly acquired premises"** directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;
- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Premises.

16. **Newly Acquired Property**

We will pay for direct physical loss of or damage to:

- a. Your newly acquired or constructed **"real property"** at a **"premises"** if coverage is not currently shown for **"real property"** at that **"premises"** on the Declarations; and
- b. Your newly acquired **"personal property"** at a **"premises"** if coverage is not currently shown for **"personal property"** at that **"premises"** on the Declarations.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the newly acquired property to us;
- b. The number of days shown on the Declarations from the date construction of **"real property"** begins or completed **"real property"** or **"personal property"** is acquired; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date construction of **"real property"** begins or **"personal property"** or completed **"real property"** is acquired.

The most we will pay under this Additional Coverage at any one **"premises"** is the applicable Limit of Insurance shown on the Declarations for Newly Acquired Property.

17. Off-Premises Service Interruption--Direct Damage

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to any property located away from the **"premises"** or **"reported unscheduled premises"** and used to provide any of the following services to the **"premises"** or **"reported unscheduled premises"**:

- a. Water;
- b. Power, including steam and natural gas; or
- c. Communication.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Direct Damage.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

18. Outdoor Trees, Shrubs, Plants, or Lawns

We will pay for direct physical loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** at a **"premises"** or **"reported unscheduled premises"** directly caused by:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion; or
- e. Aircraft.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** and for any one tree, shrub, plant, or lawn are the Limits of Insurance shown on the Declarations for Outdoor Trees, Shrubs, Plants, or Lawns.

19. Pollutant Clean Up and Removal--Land and Water

We will pay the reasonable expenses you incur to extract **"pollutants"** from land or water at a **"premises"** or **"reported unscheduled premises"** if the discharge, dispersal, seepage, migration, release, or escape of the **"pollutants"** is directly caused by a **"covered cause of loss"**.

This Additional Coverage does not apply to the costs to test for, monitor, or assess the existence, concentration, or effects of **"pollutants"**. But we will pay for the reasonable cost of testing performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Pollutant Clean Up and Removal--Land and Water.

The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the **"covered cause of loss"** occurs.

20. Preservation of Property

If Covered Property is removed from a **"premises"** or **"reported unscheduled premises"** to preserve it from actual or imminent physical loss or damage caused by a **"covered cause of loss"**:

We will pay for:

- a. Any direct physical loss of or damage to Covered Property while it is being moved to or while stored at another location for up to the number of days shown on the Declarations for Preservation of Property; and
- b. The reasonable cost to remove Covered Property from the **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance shown on the Declarations for that Covered Property.

21. Professional Fees

We will reimburse you for the reasonable expenses you incur for professional services for auditors, accountants, architects, or engineers which are necessary to prepare a statement of loss or exhibits required in connection with any loss covered under this Commercial Property Coverage Part. This Additional Coverage does not apply to fees and costs of:

- a. Your employees; or
- b. Attorneys, public adjusters, loss appraisers, or loss consultants.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Professional Fees.

22. Reported Unscheduled Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"** at a **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

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The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the applicable Limit of Insurance shown on the Declarations for Reported Unscheduled Premises.

23. Reward Payments

We will reimburse you for rewards you pay for information leading to:

- a. The successful return of undamaged stolen Covered Property to you or a law enforcement agency; or
- b. The arrest and conviction of any persons for having damaged or stolen your Covered Property.

The reward payments must be documented.

The most we will pay under this Additional Coverage in any one occurrence is 25% of the covered loss, prior to the application of any applicable deductible and recovery of any Covered Property, up to the Limit of Insurance shown on the Declarations for Reward Payments.

24. Salespersons Samples

We will pay for direct physical loss of or damage to **"salespersons samples"** in transit while in the custody of a salesperson or at any location, other than a **"premises"** or **"reported unscheduled premises"**, directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Salespersons Samples.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

25. Spoilage--Equipment Breakdown

We will pay for direct physical loss of or damage to **"stock"** at a **"premises"** or **"reported unscheduled premises"** directly caused by the loss of or changes in any artificially maintained or generated temperature, humidity, or atmosphere resulting from an **"equipment breakdown cause of loss"** to atmosphere control equipment at the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Spoilage--Equipment Breakdown.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

26. Theft Damage to Buildings

We will pay for direct physical loss of or damage to **"real property"** at a **"premises"** or **"reported unscheduled premises"** in which you are a tenant directly caused by theft, burglary, or robbery, provided you are legally obligated to pay for such loss or damage.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for **"personal property"** at that **"premises"** or **"reported unscheduled premises"**.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

27. Unreported Premises

We will pay for direct physical loss of or damage to **"real property"** and **"personal property"**, other than **"salespersons samples"** or property in transit, at an **"unreported premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises.

B. DEDUCTIBLE

We will not pay for loss, damage, cost, or expense in any one occurrence until the amount of loss, damage, cost, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, cost, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.



Accounts Receivable Coverage Form (Revenue Loss)

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Accounts Receivable Coverage Form (Revenue Loss)

A. COVERAGES

1. Accounts Receivable (Revenue Loss)

We will pay for:

- a. The **"money"** due you from customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss).

2. Accounts Receivable (Revenue Loss)--Away From Premises

We will also pay for:

1. The **"money"** due you from customers that you are unable to collect;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage,

that result from direct physical loss of or damage to your **"accounts receivable records"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Accounts Receivable (Revenue Loss)--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"accounts receivable records"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"accounts receivable records"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"accounts receivable records"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. **Earth Movement**

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"accounts receivable records"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. **Electronic Vandalism**

We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. **Expected, Preventable, or Accumulated Losses**

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"accounts receivable records"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss, damage, or expense in any one occurrence until the amount of loss, damage, or expense exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss, damage, or expense in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

If you cannot accurately establish the amount of accounts receivable outstanding at the time of loss or damage to **"accounts receivable records"**, the following method will be used to determine the amount of covered loss, damage, or expense:

1. Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurred; and
2. Adjust that total for normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of accounts receivable, however that amount is established:

1. The amount of the accounts receivable for which there is no loss or damage;
2. The amount of the accounts receivable that you are able to re-establish or collect;
3. An amount to allow for probable bad debts that you are normally unable to collect; and
4. All unearned interest and service charges.



Fine Arts Coverage Form

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Fine Arts Coverage Form

A. COVERAGES

1. Fine Arts

We will pay for direct physical loss of or damage to **"fine arts"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Fine Arts.

2. Fine Arts--Away From Premises

We will also pay for direct physical loss of or damage to **"fine arts"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fine Arts--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Defects or Errors

We will not pay for any of the following:

a. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A "mistake" in planning, zoning, development, surveying, siting;
- 2) A "mistake" in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- 3) A "mistake" in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

2. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"fine arts"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"fine arts"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"fine arts"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

5. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

6. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

7. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of **"fine arts"** by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to:

- 1) Covered **"real property"**; or

- 2) Covered **"personal property"**,

directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of, **"pollutants"** or **"microorganisms"**.

8. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

9. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "**specified cause of loss**", other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**microorganisms**".

10. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfuction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

11. Pollutants

We will not pay for loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release, or escape of "**pollutants**". But, if the discharge, dispersal, seepage, migration, release, or escape is caused by a "**specified cause of loss**", we will pay only for that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**pollutants**".

12. Repair, Restoration, or Retouching

We will not pay for loss of or damage to "**fine arts**" caused by or resulting from repair, restoration, or retouching.

13. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfuction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

1. **"Fine arts"** are valued based on the lesser of:
 - a. **"Market value"** at the time of loss or damage; or
 - b. The value of **"fine arts"** that are individually listed and described on the schedule on file with us.

2. Pairs or Sets

In case of loss to any part of a pair or set, we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss; or
- b. Pay the difference between the value of the pair or set before and after the loss.



Installation and Service Property Coverage Form

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Installation and Service Property Coverage Form

A. COVERAGES

1. Stock to be Installed

We will pay for direct physical loss of or damage to **"stock"** directly caused by a **"covered cause of loss"** while such **"stock"** is:

- a. At an **"installation or service premises"**;
- b. At a **"temporary storage location"**; or
- c. In transit, to or from an **"installation or service premises"** or a **"temporary storage location"**.

Coverage ends at the earlier of the following:

- a. Your insurable interest in the **"stock"** ceases;
- b. The **"stock"** is accepted by the purchaser;
- c. The **"stock"** is installed and you have been paid;
- d. The **"stock"** is installed and put to its intended use; or
- e. The policy expires or is cancelled.

The most we will pay under this Marine Coverage in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Stock to be Installed.

2. Tools and Equipment

We will pay for direct physical loss of or damage to:

- a. **"Personal property"** that are tools and equipment; and
- b. Vehicles that are not licensed for use on public roads,

used by you to install or service property at an **"installation or service premises"** directly caused by a **"covered cause of loss"**. Coverage applies while such property is:

- a. At an **"installation or service premises"**; or
- b. In transit, to or from an **"installation or service premises"**.

The most we will pay under this Marine Coverage for any one item and in any one occurrence is the applicable Limit of Insurance shown on the Declarations for Installation and Service Property--Tools and Equipment or in a schedule on file with us.

B. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Disappearance or Shortage

We will not pay for loss caused by disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the property. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

3. Dishonest Acts

We will not pay for loss caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the property for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

4. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or

f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

5. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to:

- a. Seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread; or
- b. Demolition orders issued pursuant to any ordinance or law in effect at the time of loss or damage regulating construction, use, or repair of any property; provided such demolition order has become legally enforceable as a result of physical damage to **"real property"** containing covered **"personal property"** directly caused by a **"covered cause of loss"**.

However, this exception does not apply to demolition orders issued pursuant to any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

6. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

7. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

8. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence

to the loss, even if such other cause or event would otherwise be covered. But, if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

9. Precipitation

We will not pay for loss or damage caused by or resulting from rain, hail, snow, ice, or sleet to property in the open. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. **"Stock"** in the custody of a carrier for hire; or
- b. Vehicles that are not licensed for use on public roads.

10. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:
 - 1) A **"mistake"** in planning, zoning, development, surveying, siting;
 - 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
 - 4) Insufficient or failure of maintenance or servicing,

of part or all of any property on or off an **"installation or service premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off an **"installation or service premises"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- d. Loss of or damage to machinery or equipment while undergoing a pressure or electrical test. This exclusion applies even this excluded cause of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

11. Suspended Equipment

We will not pay for loss or damage caused by or resulting from an **"equipment breakdown cause of loss"** to **"suspended equipment"**. This exclusion applies even if this excluded cause of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

But if a result of this excluded cause of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

12. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

13. Weight of Load

We will not pay for loss of or damage to **"personal property"** that are tools and equipment or vehicles used by you to install or service property caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting or supporting capacity of any machine under the operating conditions at the time of loss or damage.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. ADDITIONAL CONDITIONS

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to Covered Property in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. The coverage provided for **"stock"** by this Coverage Form is primary to any other insurance not subject to the same plan, terms, conditions, and provisions as this Coverage Form.

E. VALUATION

We will determine the value of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., 6., and 7. below, the lesser of the following amounts:
 - a. The **"replacement cost"**; or

- b. The **"amount you actually spend"** to repair, rebuild, or replace Covered Property.
- 2. Except as provided in 3., 5., 6., and 7. below, Covered Property which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged Covered Property within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
- 3. **"Merchandise"** and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
- 4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
- 5. Covered Property which has been permanently removed from service at **"actual cash value"**.
- 6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.
- 7. Subject to 1., 2., and 5. above, the most we will pay for any one item for scheduled equipment is the value per item shown on the schedule on file with us.



Original Information Property Coverage Form

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Original Information Property Coverage Form

A. COVERAGES

1. Original Information Property

We will pay for direct physical loss of or damage to **"original information property"** at a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Original Information Property.

2. Original Information Property--Away From Premises

We will also pay for direct physical loss of or damage to **"original information property"** away from a **"premises"** or **"reported unscheduled premises"** directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Original Information Property--Away From Premises.

B. EXCLUDED CAUSES OF LOSS

1. Alteration, Falsification, Concealment, or Destruction

We will not pay for loss or damage caused by or resulting from alteration, falsification, concealment, or destruction of **"original information property"** done to conceal the wrongful giving, taking, or withholding of **"money"**, **"securities"**, or other property.

2. Bookkeeping, Accounting, or Billing Mistakes

We will not pay for loss or damage caused by or resulting from a **"mistake"** or **"malfunction"** in bookkeeping, accounting, or billing.

3. Defects or Errors

We will not pay for any of the following:

a. Loss or damage caused by or resulting from a **"mistake"** in:

- 1) Programming;
- 2) Instructions to a machine; or
- 3) Installation or maintenance of **"electronic data processing hardware"** or component parts.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

b. Loss or damage, including the costs of correcting or making good, caused by or resulting from:

- 1) A **"mistake"** in planning, zoning, development, surveying, siting;
- 2) A **"mistake"** in design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

- 3) A **"mistake"** in materials used in repair, construction, renovation, or remodeling; or
- 4) Insufficient or failure of maintenance or servicing,

of part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

- c. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any **"original information property"** on or off a **"premises"** or **"reported unscheduled premises"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Disappearance or Shortage

We will not pay for loss caused by or resulting from disappearance or shortage disclosed on taking inventory or where there is no physical evidence to show what happened to the **"original information property"**. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

5. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"original information property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

6. Earth Movement

We will not pay for loss or damage caused directly or indirectly by **"earth movement"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"earth movement"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

If loss of or damage to **"original information property"** caused by leakage from **"fire protection sprinkler system piping"** results from **"earth movement"**, and there is no other loss or damage from **"earth movement"** to that same property, we will pay for the direct physical loss or damage caused solely from the **"fire protection sprinkler system piping"** leakage.

7. Electronic Vandalism

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We will not pay for loss or damage caused by or resulting from **"electronic vandalism"**.

This exclusion applies even if the **"electronic vandalism"** was caused by or resulted from a **"mistake"** or **"malfunction"**.

8. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

9. Flood

We will not pay for loss or damage caused directly or indirectly by **"flood"**. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if **"flood"** results in fire, explosion, or theft, we will pay for that portion of the loss or damage which was solely caused by that fire, explosion, or theft.

10. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to acts of destruction of **"original information property"** ordered by governmental authority and taken at the time of fire to prevent its spread.

11. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

12. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of "**microorganisms**", unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**", "**malfunction**", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a "**specified cause of loss**", other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that "**specified cause of loss**".

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "**microorganisms**".

13. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

14. War and Military Action

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

C. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

D. VALUATION

We will determine the value of covered loss or damage to lost or damaged "**original information property**" at the full cost necessary to research and reproduce a master copy, including the information and material on which it resides. However, we will only pay for costs of research and reproduction if you reproduce your "**original information property**". We will not include the cost of making additional copies.



Transit Coverage Form

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Transit Coverage Form

A. COVERAGE

We will pay for direct physical loss of or damage to **"personal property"** in transit, including:

1. Your interest in shipments sold under Free on Board or Freight Allowed terms;
2. **"Personal property"** when the purchaser refuses to accept delivery or returns it to the shipper; or
3. General average and salvage charges on shipments while waterborne,
directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Personal Property.

B. PROPERTY NOT COVERED

This Coverage Form does not apply to:

1. **"Personal property"** in transit to or from a fair or exhibition;
2. **"Salespersons samples"**;
3. Property of others in your care, custody, or control if you are acting as a carrier for hire, broker, loader, consolidator, or freight forwarder with a written contract or bill of lading;
4. **"Personal property"** used by you to install or service property at an **"installation or service premises"**;
5. **"Stock"** in transit to or from an **"installation or service premises"** or a **"temporary storage location"**;
6. Furs, fur garments, and garments trimmed with fur;
7. Jewelry, watches, watch movements, jewels, pearls, precious or semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals, except for:
 - a. Jewelry or watches worth \$100 or less per item; or
 - b. Precious or semiprecious stones or metals used for industrial purposes; or
8. Lottery tickets held for sale.

C. EXCLUDED CAUSES OF LOSS

1. Artificially Maintained Conditions

We will not pay for loss of or damage to **"personal property"** caused by or resulting from the loss of or change in any artificially maintained or generated temperature, humidity, or atmosphere. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from an **"equipment breakdown cause of loss"**, **"mistake"**, or **"malfunction"**.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

This exclusion does not apply to **"electronic data processing hardware"** or **"duplicate information property"**.

2. Dishonest Acts

We will not pay for loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions, committed by you, your partners, **"members"**, officers, **"managers"**, employees (including leased or temporary employees), directors, trustees, authorized representatives, or anyone else to whom you have entrusted the **"personal property"** for any purpose:

- a. Acting alone or in collusion with others; or
- b. Whether or not occurring during the hours of employment.

This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

This exclusion does not apply to:

- a. Acts of vandalism committed by your employees (including leased or temporary employees); or
- b. Carriers for hire or anyone claiming to be a carrier for hire at the time the property is entrusted to them.

3. Expected, Preventable, or Accumulated Losses

We will not pay for loss or damage caused by or resulting from:

- a. Wear and tear;
- b. Smoke, vapor, or gas from agricultural smudging or industrial operations;
- c. Smog;
- d. Rust or other corrosion, decay, deterioration, fading, hidden or latent defect, or any quality of the property that causes it to damage or destroy itself;
- e. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- f. Inherent vice.

Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"covered cause of loss"**, we will pay for that portion of the loss or damage which was solely caused by that **"covered cause of loss"**.

4. Governmental Action

We will not pay for loss or damage caused directly or indirectly by any seizure, confiscation, expropriation, nationalization, or destruction of property by order of governmental authority. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

This exclusion does not apply to seizure or destruction of property by order of governmental authority and taken at the time of fire to prevent its spread.

5. Loss of Market or Delay

We will not pay for loss or damage caused by or resulting from loss of market, loss of use, or delay. This exclusion applies even if one of these excluded causes of loss was caused by or resulted from a **"mistake"** or **"malfunction"**.

6. Microorganisms

We will not pay for loss or damage consisting of, directly or indirectly caused by, contributed to, or aggravated by the presence, growth, proliferation, spread, or any activity of **"microorganisms"**, unless resulting from fire or lightning. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

But if a result of one of these excluded causes of loss is a **"specified cause of loss"**, other than fire or lightning, we will pay that portion of the loss or damage which was solely caused by that **"specified cause of loss"**.

We will also not pay for loss, cost, or expense arising out of any request, demand, order, or statutory or regulatory requirement that requires any insured or others to test for, monitor, clean up, remove, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"microorganisms"**.

7. Nuclear Hazard

We will not pay for loss or damage caused directly or indirectly by nuclear reaction or radiation, or radioactive contamination, however caused. Such loss or damage is excluded regardless of any other cause or event, including a **"mistake"** or **"malfunction"**, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for that portion of the loss or damage which was solely caused by that fire.

8. Process Failures, Defects, or Errors

We will not pay for any of the following:

- a. Loss or damage due to spoilage, destruction, adulteration, discard, reduction in value, or any other loss or damage to **"stock"** caused by or resulting from a **"mistake"** or **"malfunction"** in the alteration, development, distribution, installation, manufacturing, maintenance, processing, repair, or testing of such **"stock"**.
- b. Loss or damage, including the costs of correcting or making good, caused by or resulting from incorporating **"defective materials"** into part or all of any property on or off the **"premises"**.

But if a result of this excluded cause of loss is a "**covered cause of loss**", we will pay for that portion of the loss or damage which was solely caused by that "**covered cause of loss**".

9. **Suspended Equipment**

We will not pay for loss or damage caused by or resulting from an "**equipment breakdown cause of loss**" to "**suspended equipment**". This exclusion applies even if this excluded cause of loss was caused by or resulted from a "**mistake**" or "**malfunction**".

But if a result of this excluded cause of loss is a "**covered cause of loss**", we will pay for that portion of the loss or damage which was solely caused by that "**covered cause of loss**".

10. **War and Military Action**

We will not pay for loss or damage arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority by hindering or defending against any of these.

Such loss or damage is excluded regardless of any other cause or event, including a "**mistake**" or "**malfunction**", that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

D. **DEDUCTIBLE**

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the applicable Deductibles shown on the Declarations. We will then pay the amount of loss or damage in excess of the Deductibles, up to the applicable Limits of Insurance.

E. **ADDITIONAL CONDITIONS**

The following conditions apply in addition to the COMMERCIAL PROPERTY CONDITIONS and the COMMON POLICY CONDITIONS:

1. In the event of any loss or damage to "**personal property**" in transit, you must immediately make a claim in writing against the carrier, bailee, or others involved.
2. If "**personal property**" in transit which was sold under Free on Board or Freight Allowed terms is lost or damaged and the consignee refuses to pay for such "**personal property**" because of the loss or damage, we will not attempt to enforce collection from the consignee without your written permission.

F. **VALUATION**

We will determine the amount of covered loss or damage as follows:

1. Except as provided in 2., 3., 4., 5., and 6. below, the lesser of the following amounts:
 - a. The "**replacement cost**"; or
 - b. The "**amount you actually spend**" to repair, rebuild, or replace "**personal property**".

2. Except as provided in 3., 5., and 6. below, **"personal property"** which is not repaired, rebuilt, or replaced will be valued at the **"actual cash value"** at the time and place of loss or damage. If you commence the repair, rebuilding, or replacement of the lost or damaged **"personal property"** within 24 months from the date the loss or damage occurred, upon completion of the repair, rebuilding, or replacement we will pay you the difference between the **"actual cash value"** previously paid and the **"replacement cost"** at the time of loss or damage.
3. **"Merchandise"** which has been sold but not delivered and **"finished stock"** at the regular cash selling price, less any discounts and expenses you otherwise would have had.
4. **"Stock in process"** at the value of **"raw stock"**, your labor expended, and your materials incorporated plus the proper proportion of your overhead charges, calculated in accordance with principles of Direct Costing. In no event will overhead be calculated in accordance with the principles of Absorption Costing.
5. **"Personal property"** which has been permanently removed from service at **"actual cash value"**.
6. **"Duplicate information property"** at the lesser of:
 - a. The cost to purchase a duplicate copy, if a duplicate copy exists and is available for sale; or
 - b. The cost of blank materials, plus any cost incurred to copy data onto blank materials from a duplicate source on the same type of materials, provided such copying does not violate licensing or contract agreements.



Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology

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Business Income Coverage Form Including Research and Development Continuing Expenses (Excluding Extra Expense)--Technology

A. COVERAGES

1. Business Income

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

2. Research and Development Continuing Expenses

We will pay for the actual and necessary **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"research and development operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at a **"premises"** at which **"research and development operations"** are conducted and for which a Limit of Insurance is shown on the Declarations for Research and Development Continuing Expenses. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to the number of days shown on the Declarations for Civil Authority resulting from the necessary **"suspension"**, or delay in the start, of your **"research and development operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to the **"premises"** where **"research and development operations"** are conducted. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** where the **"research and development continuing expenses"** are incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the "**premises**" where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a "**premises**" or "**reported unscheduled premises**" at which a Limit of Insurance is shown on the Declarations for Business Income. The loss or damage must be directly caused by a "**covered cause of loss**".

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

3. Delayed Net Income

We will pay for the actual loss of "**net income**" you sustain after the "**extended period of indemnity**".

We only pay if the following conditions apply:

- a. The loss of "**net income**" must be caused by direct physical loss of or damage to property directly related to "**research and development operations**" at a "**premises**" or "**reported unscheduled premises**" at which a Limit of Insurance is shown on the Declarations for Business Income and must result in a delay in the introduction of a new product or the enhancement of an existing product;
- b. The loss or damage must be directly caused by a "**covered cause of loss**";
- c. You begin to sustain the loss of "**net income**" within 24 months of the date of the direct physical loss of or damage to property; and
- d. You notify us in writing of such loss of "**net income**" within 24 months of the date of the direct physical loss or damage.

We will only pay the actual loss of "**net income**" you sustain during the period that:

- a. Begins on the first date after the "**extended period of indemnity**" on which you begin to sustain the loss of "**net income**"; and
- b. Continues for a period of time equal to the time it should have taken, with reasonable speed, to repair, rebuild, or replace the damaged property to the condition that existed prior to the loss or damage.

If a competitor introduces a similar product prior to the date you originally scheduled the introduction of a new or enhanced product, then the amount of the "**net income**" loss will be adjusted to reflect the competitor's action.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the "**premises**" or "**reported unscheduled premises**" where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

4. Electronic Vandalism

We will pay for the actual loss of **"business income"** you sustain and the actual and necessary **"research and development continuing expenses"** you incur due to the necessary **"suspension"** of your **"operations"** or **"research and development operations"** provided the **"suspension"** was directly caused by **"electronic vandalism"**.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Electronic Vandalism--Business Income.

5. Expense to Reduce Loss

We will pay reasonable and necessary expenses you incur, except the cost of extinguishing a fire, to reduce the amount of loss of **"business income"**. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this Coverage Form and subject to the applicable Limit of Insurance shown on the Declarations for Business Income at that **"premises"**.

6. Extended Period of Indemnity

- a. If the necessary **"suspension"** of your **"operations"** produces a **"business income"** loss payable under this Coverage Form, and you resume **"operations"** with reasonable speed, we will pay for the actual loss of **"business income"** you sustain during the **"extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. If the necessary **"suspension"** of your **"research and development operations"** directly causes a suspension, lapse, or cancellation of any license, lease, or contract, including milestone contracts, we will pay the portion of **"research and development continuing expenses"** directly attributable to that suspension, lapse, or cancellation during the **"research and development extended period of indemnity"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

7. Fairs or Exhibitions

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property at, or while in transit to or from, any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Fairs or Exhibitions--Business Income.

8. Food and Drug Administration (FDA) Recertification--Business Income

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"operations"** and ends when the FDA approves and certifies the **"premises"** or **"reported unscheduled premises"** to resume your **"operations"** at the same level of certification that existed prior to the **"suspension"** of your **"operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

9. Food and Drug Administration (FDA) Recertification--Research and Development Continuing Expenses

We will extend the **"period of restoration"** to include the period of time that begins when you advise the FDA, as required, that you are ready to resume your **"research and development operations"** and ends when the FDA approves and certifies the **"premises"** to resume your **"research and development operations"** at the same level of certification that existed prior to the **"suspension"** of your **"research and development operations"**. The **"period of restoration"** does not include time required to obtain approvals or certificates that you were not legally required to have prior to the **"suspension"** of your **"research and development operations"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the **"premises"** where the direct physical loss or damage occurred.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

10. Ingress/Egress

- a. We will pay for the actual loss of **"business income"** you sustain for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual loss of **"business income"** you sustain must be caused by direct physical loss of or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** which sustains a **"business income"** loss. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Business Income at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

- b. We will pay for the actual and necessary **"research and development continuing expenses"** you incur for up to for up to the number of days shown on the Declarations for Ingress/Egress following the necessary **"suspension"** of your **"research and development operations"**, when ingress or egress by your suppliers, customers, or employees to the **"premises"** is physically obstructed due to direct physical loss or damage. The actual and necessary **"research and development continuing expenses"** you incur must be caused by direct physical loss of or damage to property not owned,

occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the "**premises**" where the "**research and development operations**" are conducted. The obstruction cannot be the result of an order of civil authority that prohibits access to that "**premises**". The loss or damage must be directly caused by a "**covered cause of loss**".

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Research and Development Continuing Expenses at the "**premises**" where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

11. Microorganisms

We will pay for the actual loss of "**business income**" you sustain due to the:

- a. Necessary "**suspension**" of your "**operations**" from direct physical loss of or damage to Covered Property caused by "**microorganisms**" when the "**microorganisms**" are the result of a "**covered cause of loss**"; or
- b. Prolonged "**period of restoration**" due to the remediation of "**microorganisms**" from a covered loss.

The most we will pay under this Additional Coverage in any one policy year is the Annual Aggregate Limit of Insurance shown on the Declarations for Microorganisms--Business Income. Regardless of the number of claims, this Limit of Insurance is the most we will pay for the total of all loss, even if the "**microorganisms**" continue to be present, active, or recur.

12. Newly Acquired Premises

We will pay for the actual loss of "**business income**" you sustain due to the necessary "**suspension**" of your "**operations**" during the "**period of restoration**". The "**suspension**" must be caused by direct physical loss of or damage to your property at a "**newly acquired premises**". The loss or damage must be directly caused by a "**covered cause of loss**".

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the "**newly acquired premises**" to us;
- b. The number of days shown on the Declarations from the date the location becomes a "**newly acquired premises**"; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a "**newly acquired premises**".

The most we will pay under this Additional Coverage at any one "**newly acquired premises**" is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Business Income.

13. Reported Unscheduled Premises

We will pay for the actual loss of "**business income**" you sustain due to the necessary "**suspension**" of your "**operations**" during the "**period of restoration**". The "**suspension**" must be caused by direct physical loss of or damage to property at a "**reported unscheduled premises**". The loss or damage must be directly caused by a "**covered cause of loss**".

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Business Income.

14. Transit

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property in transit, other than while in transit to or from any fair or exhibition. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Marine Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Transit--Business Income.

15. Unreported Premises

We will pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to your property, or property of your landlord, at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Business Income.

C. EXCLUSIONS

1. Real or Personal Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off-Premises Service Interruption, apply to loss of **"business income"** and **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to any property other than:

- a. **"Research and development property"**;
- b. **"Fine arts"**;
- c. **"Original information property"**;
- d. **"Outdoor trees, shrubs, plants, or lawns"**;
- e. **"Green roofing systems"**; or
- f. **"Personal property"** in transit.

2. Research and Development Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM apply to loss of **"business income"** and **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"research and development property"**.

3. Fine Arts

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to loss of "**business income**" caused by or resulting from loss of or damage to "**fine arts**".

4. Original Information Property

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to loss of "**business income**" and "**research and development continuing expenses**" incurred caused by or resulting from loss of or damage to "**original information property**".

5. Personal Property in Transit

The exclusions in paragraphs 6., 7., and 8. below and the excluded causes of loss in the TRANSIT COVERAGE FORM apply to loss of "**business income**" caused by or resulting from loss of or damage to "**personal property**" in transit.

6. Finished Stock

We will not pay for loss of "**business income**" caused by or resulting from:

- a. Loss of or damage to "**finished stock**"; or
- b. The time required to replace "**finished stock**".

7. Off-Premises Service Interruption

We will not pay for loss of "**business income**" or "**research and development continuing expenses**" incurred caused by or resulting from any "**off-premises service interruption**". Such loss is excluded regardless of any other cause or event, including a "**mistake**", "**malfunction**", or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

8. Suspension, Lapse, or Cancellation

- a. We will not pay for any loss of "**business income**" caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the "**suspension**" of your "**operations**". If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the "**suspension**" of your "**operations**", we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the "**extended period of indemnity**".
- b. We will not pay for any "**research and development continuing expenses**" incurred caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the "**suspension**" of your "**research and development operations**". If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the "**suspension**" of your "**research and development operations**", we will not pay for that portion of any loss from such suspension, lapse, or cancellation which occurs after the "**research and development extended period of indemnity**".

D. LIMITATIONS**1. Idle Periods**

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverages, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from delay in rebuilding, repairing, or replacing property, or resuming **"operations"** or **"research and development operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for loss of **"business income"** or **"research and development continuing expenses"** incurred caused by or resulting from loss of or damage to **"green roofing systems"** unless the loss or damage is directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any loss of **"business income"** or **"research and development continuing expenses"** incurred in any one occurrence until the amount of loss or expense incurred exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations. We will then pay the amount of actual **"business income"** loss sustained or actual and necessary **"research and development continuing expenses"** incurred in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property, directly caused by a **"covered cause of loss"**.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual "**business income**" loss sustained will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Net Income

The amount of "**net income**" will be determined based on:

- a. The "**net income**" of the business before the direct physical loss or damage occurred; and
- b. The likely "**net income**" of the business if no direct physical loss or damage had occurred.

3. Continuing Expenses

The amount of "**continuing expenses**" will be determined based on those expenses which are necessary to resume your "**operations**" with the same quality of service that existed just before the direct physical loss or damage and which are incurred during the "**period of restoration**" or "**extended period of indemnity**".

4. Resumption of Operations

We will reduce the amount of the "**business income**" loss and "**research and development continuing expenses**" paid:

- a. To the extent you could resume your "**operations**" or "**research and development operations**", in whole or in part, by using damaged or undamaged property, including "**stock**"; or
- b. To the extent you could resume your "**operations**" or "**research and development operations**", in whole or in part, by using any other location.

5. Research and Development Continuing Expenses

The amount of "**research and development continuing expenses**" incurred will be determined based on those expenses which are necessary to resume "**research and development operations**" of the same or similar nature that existed just before the direct physical loss or damage and which are incurred during the "**period of restoration**" or "**research and development extended period of indemnity**".

6. Finished Stock and Merchandise

Lost or damaged "**finished stock**" or "**merchandise**" that is valued at regular cash selling price will be considered to have been sold to your customers and will be credited against the lost sales.

G. OPTIONAL COVERAGES

If shown on the Declarations, the following Optional Coverages apply separately to each item:

1. Maximum Period of Indemnity

The most we will pay for loss of "**business income**" is the lesser of:

- a. The amount of loss sustained during the 120 days immediately following the beginning of the "**period of restoration**"; or
- b. The Limit of Insurance shown on the Declarations.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

2. Monthly Limit of Indemnity

The most we will pay for loss of "**business income**" in each period of 30 consecutive days after the beginning of the "**period of restoration**" is:

- a. The Limit of Insurance, multiplied by
- b. The fraction shown on the Declarations for this Optional Coverage.

The Additional Condition--Coinsurance endorsement does not apply to this Optional Coverage.

The following Additional Coverages do not apply:

- a. Delayed Net Income; and
- b. Extended Period of Indemnity.

Example:

If:

- a. The Limit of Insurance is \$120,000.
- b. The fraction shown on the Declarations for this Optional Coverage is 1/4.

The most we will pay for loss in each period of 30 consecutive days is \$30,000.

If, in this example, the actual amount of the loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 of loss is not covered.



Extra Expense Coverage Form

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Extra Expense Coverage Form

A. COVERAGE

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"premises"** at which a Limit of Insurance is shown for Extra Expense on the Declarations. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown on the Declarations for Extra Expense at that **"premises"**.

B. ADDITIONAL COVERAGES

1. Civil Authority

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Civil Authority when an order of civil authority prohibits access to the **"premises"** or **"reported unscheduled premises"**. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

2. Ingress/Egress

We will pay for the actual and necessary **"extra expense"** you incur for up to the number of days shown on the Declarations for Ingress/Egress, when ingress or egress by your suppliers, customers, or employees to the **"premises"** or **"reported unscheduled premises"** is physically obstructed due to direct physical loss or damage. The actual and necessary **"extra expense"** you incur must be caused by direct physical loss of or damage to property not owned, occupied, leased, or rented by you, or insured under this Commercial Property Coverage Part. That property must be located within one mile from the **"premises"** or **"reported unscheduled premises"** where the **"extra expense"** was incurred. The obstruction cannot be the result of an order of civil authority that prohibits access to that **"premises"** or **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under the Additional Coverage is the Limit of Insurance shown on the Declarations for Extra Expense at the **"premises"** or **"reported unscheduled premises"** where ingress or egress was obstructed.

The Limit for this Additional Coverage is included in, and not in addition to, the applicable Limit of Insurance.

3. Newly Acquired Premises

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at a **"newly acquired premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

This Additional Coverage will automatically expire on the earliest of the following dates:

- a. The date you report the **"newly acquired premises"** to us;

- b. The number of days shown on the Declarations from the date the location becomes a **"newly acquired premises"**; or
- c. The date this policy expires or is cancelled.

We will charge you additional premium for values reported from the date the location becomes a **"newly acquired premises"**.

The most we will pay under this Additional Coverage at any one **"newly acquired premises"** is the Limit of Insurance shown on the Declarations for Newly Acquired Premises--Extra Expense.

4. **Reported Unscheduled Premises**

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property at a **"reported unscheduled premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Reported Unscheduled Premises--Extra Expense.

5. **Unreported Premises**

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to your property at an **"unreported premises"**. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage at any one **"unreported premises"** is the Limit of Insurance shown on the Declarations for Unreported Premises--Extra Expense.

C. **EXCLUSIONS**

1. **Real or Personal Property**

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the REAL AND PERSONAL PROPERTY COVERAGE FORM, except Off Premises Service Interruption, apply to **"extra expense"** incurred caused by or resulting from loss of or damage to any property other than:

- a. **"Fine arts"**;
- b. **"Original information property"**;
- c. **"Outdoor trees, shrubs, plants, or lawns"**; or
- d. **"Green roofing systems"**.

2. **Fine Arts**

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the FINE ARTS COVERAGE FORM apply to **"extra expense"** incurred caused by or resulting from loss of or damage to **"fine arts"**.

3. Original Information Property

The exclusions in paragraphs 4. and 5. below and the excluded causes of loss in the ORIGINAL INFORMATION PROPERTY COVERAGE FORM apply to **"extra expense"** incurred caused by or resulting from loss of or damage to **"original information property"**.

4. Off-Premises Service Interruption

We will not pay for **"extra expense"** incurred caused by or resulting from any **"off-premises service interruption"**. Such loss is excluded regardless of any other cause or event, including a **"mistake"**, **"malfunction"**, or weather condition, that contributes concurrently or in any sequence to the loss, even if such other cause or event would otherwise be covered.

5. Suspension, Lapse, or Cancellation

We will not pay for **"extra expense"** incurred caused by or resulting from a suspension, lapse, or cancellation of any license, lease, or contract, unless the suspension, lapse, or cancellation is directly caused by the **"suspension"** of your **"operations"**. If the suspension, lapse, or cancellation of any license, lease, or contract is directly caused by the **"suspension"** of your **"operations"**, we will not pay for that portion of any **"extra expense"** incurred from such suspension, lapse, or cancellation which occurs after the **"period of restoration"**.

D. LIMITATIONS

1. Idle Periods

We will not pay for **"extra expense"** incurred during any period in which business would not or could not have been conducted for any reason other than:

- a. Direct physical loss of or damage to property as described in Section A., Coverage, above;
- b. A civil authority prohibiting access to the **"premises"** or **"reported unscheduled premises"** as described in the Civil Authority Additional Coverage above; or
- c. A physical obstruction affecting ingress or egress to the **"premises"** or **"reported unscheduled premises"** as described in the Ingress/Egress Additional Coverage above.

2. Strikers or Others Causing Delay

We will not pay for any increase in **"extra expense"** incurred caused by delay in rebuilding, repairing, or replacing property or resuming **"operations"**, due to the interference at the location of the rebuilding, repair, or replacement by strikers or other persons.

3. Outdoor Trees, Shrubs, Plants, or Lawns

We will not pay for **"extra expense"** incurred caused by or resulting from loss of or damage to **"outdoor trees, shrubs, plants, or lawns"** unless the loss or damage is directly caused by fire, lightning, explosion, riot or civil commotion, or aircraft.

4. Green Roofing Systems

We will not pay for **"extra expense"** incurred caused by or resulting from loss of or damage to **"green roofing systems"** unless the loss or damage is directly caused by a **"covered cause of loss"** other than loss or damage caused by or resulting from:

- a. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals;
- b. Disease;
- c. Changes in or extremes of temperature;
- d. Dampness or dryness of atmosphere or of soil supporting the vegetation; or
- e. Rain, snow, hail, ice, or sleet.

E. DEDUCTIBLE

We will not pay for any **"extra expense"** incurred in any one occurrence until the amount of **"extra expense"** incurred exceeds the applicable Deductibles shown on the Declarations. We will then pay the actual and necessary **"extra expense"** incurred in excess of the Deductibles up to the applicable Limits of Insurance.

F. LOSS DETERMINATION

1. Sources of Information

The amount of actual and necessary **"extra expense"** incurred will be based on relevant sources of information, including, but not limited to:

- a. Your financial records, tax returns, and accounting procedures;
- b. Bills, invoices, and other vouchers; and
- c. Deeds, liens, and contracts.

2. Extra Expense

The amount of actual and necessary **"extra expense"** incurred will be determined based on:

- a. All **"extra expense"** that exceeds the normal operating expenses that would have been incurred by your **"operations"** during the **"period of restoration"** if no direct physical loss or damage had occurred; and
- b. All expenses that reduce the **"extra expense"** that otherwise would have been incurred.

We will deduct from the total **"extra expense"** incurred the salvage value of any property bought for temporary use during the **"period of restoration"**, once **"operations"** are resumed.

3. Resumption of Operations

We will reduce the amount of **"extra expense"** paid to the extent you can return **"operations"** to normal and discontinue such **"extra expense"**.



Dependent Premises Business Income Coverage--Scheduled Limits and Locations

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE*

Name, Occupancy, and Location of "Dependent Premises"	Limit of Insurance	Deductible
"Manufacturing Locations"		
KaGa Electronics, Hong Kong Room 1709-1710, 17/F Miramar Tower 132 Nathan Rd, Tsimshatsui, Kowloon, Hong Kong	\$ 8,000,000	\$ 500,000
De Anza Manufacturing Services 1271 Reamwood Avenue Sunnyvale, CA 94089	\$ 5,000,000	\$ 500,000
UniPrecision Industrial Ltd. Heng Li, Shan Xia Gong Ye QU, Dongguan, Guangdong	\$ 4,000,000	\$ 500,000
Rock Ten Mill 28270 US Highway 80 West Demopolis, AL 36732	\$ 5,000,000	\$ 500,000
Pacur LLC 355 Moser St Oshkosh, WI 54901	\$ 4,000,000	\$ 500,000

*Information required to complete this Schedule, if not shown on this endorsement, will be shown on the Declarations.

A. COVERAGE

The following is added to Section A., Coverage, in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and Section A., Coverages, in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will also pay for the actual loss of **"business income"** you sustain due to the necessary **"suspension"** of your **"operations"** during the **"period of restoration"**. The **"suspension"** must be caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above at that **"dependent premises"**.

B. ADDITIONAL COVERAGES

With respect to a **"suspension"** of your **"operations"** caused by direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** described in the Schedule above, the Civil Authority and Contractual Penalties Additional Coverages in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY are replaced by the following:

1. Civil Authority

We will pay for the actual loss of **"business income"** you sustain for up to 30 days resulting from the necessary **"suspension"**, or delay in the start, of your **"operations"** if the **"suspension"** or delay is caused by order of civil authority that prohibits access to a **"dependent premises"** described in the Schedule above. That order must result from a civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited.

The Limit for this Additional Coverage is included in, and not in addition to, that Limit of Insurance.

2. Contractual Penalties

We will pay contractual penalties you are legally liable to pay under the provisions of a written contract due to late or non-completion of orders. Those penalties must be the result of direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**.

The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown on the Declarations for Contractual Penalties.

C. OPTIONAL COVERAGE

If a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations, the following Optional Coverage is added to Section A., Coverage, in the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur due to direct physical loss of or damage to property, including property in the open (or in a vehicle), at a **"dependent premises"** shown in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. We will not pay more than the applicable Limit of Insurance shown in the Schedule above for that **"dependent premises"**. This Limit is included in, and not in addition, to any other applicable Limits of Insurance.

If a Blanket Business Income and Extra Expense Limit of Insurance applies, the Civil Authority Additional Coverage in the EXTRA EXPENSE COVERAGE FORM applies to the actual and necessary **"extra expense"** you incur for up to 30 days after an order of civil authority prohibits access to that **"dependent premises"**. That order must result from a

civil authority's response to direct physical loss of or damage to property located within one mile from the **"dependent premises"** described in the Schedule above. The loss or damage must be directly caused by a **"covered cause of loss"**. The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule above for the **"dependent premises"** where access was prohibited. The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limit of Insurance.

D. DEDUCTIBLE

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, Section E. Deductible in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE), the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY, and the EXTRA EXPENSE COVERAGE FORM is replaced by the following:

We will not pay for any loss of **"business income"** or **"extra expense"** incurred in any one occurrence until the amount of loss or **"extra expense"** incurred exceeds the applicable Deductible shown in the Schedule above at that **"dependent premises"** where the loss or damage occurred. We will then pay the amount of actual **"business income"** loss sustained or actual and necessary **"extra expense"** incurred in excess of the Deductible, up to the applicable Limits of Insurance.

Any other deductible otherwise applicable to **"business income"** or **"extra expense"** does not apply to coverage provided by this endorsement.

E. LOSS DETERMINATION

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to a **"dependent premises"** described in the Schedule above, the Resumption of Operations Loss Determination in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY is replaced by the following:

Resumption of Operations

We will reduce the amount of **"business income"** loss payment to the extent you could resume your **"operations"**, in whole or in part, by using:

- a. Sources of materials or services; or
 - b. Outlets for your products or services,
- available to you.

F. DEFINITIONS

With respect to a **"suspension"** of **"operations"** caused by direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above, the **"period of restoration"** definition in the COMMERCIAL PROPERTY DEFINITIONS is replaced by the following:

"Period of restoration" means the period of time that:

- a. Begins when the direct physical loss of or damage to property at a **"dependent premises"** described in the Schedule above occurs; and
- b. Ends on the date when the property at that **"dependent premises"** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **"pollutants"** or **"microorganisms"**.

The expiration of this policy will not cut short the **"period of restoration"**.



Flood Coverage

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**ACCOUNTS RECEIVABLE COVERAGE FORM (REVENUE LOSS)
BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
EXTRA EXPENSE COVERAGE FORM
FINE ARTS COVERAGE FORM
ORIGINAL INFORMATION PROPERTY COVERAGE FORM
REAL AND PERSONAL PROPERTY COVERAGE FORM
RESEARCH AND DEVELOPMENT PROPERTY COVERAGE FORM**

A. COVERAGE

The Flood exclusion does not apply to loss or damage at a **"premises"** at which a Limit of Insurance is shown on the Declarations for Flood. However, we will not pay for loss or damage caused directly or indirectly by **"flood"** that begins before the inception of this Commercial Property Coverage Part.

If the Earth Movement and Flood Coverage--Specified Property endorsement is included in this Commercial Property Coverage Part, this endorsement does not apply to property covered by that endorsement.

B. ADDITIONAL EXCLUDED CAUSES OF LOSS

Off-Premises Damage

We will not pay for loss or damage that is caused directly or indirectly by **"flood"** at any of the following locations:

1. **"Cloud facility"**;
2. **"Dependent premises"**;
3. Fairs or exhibitions;
4. **"Newly acquired premises"**;
5. **"Reported unscheduled premises"**;
6. **"Unreported premises"**; or
7. Any location used to provide power or other utility service to **"premises"**.

C. LIMITS OF INSURANCE

1. Premises Limits

The most we will pay in any one occurrence for loss or damage caused directly or indirectly by **"flood"** at any one **"premises"** is the Limit of Insurance shown on the Declarations for Flood for that **"premises"**.

2. Occurrence Limit

The most we will pay in any one occurrence for all loss or damage caused directly or indirectly by **"flood"**, regardless of the number of **"premises"** involved, is the occurrence Limit of Insurance shown on the Declarations for Flood.

3. Annual Aggregate Limit

The most we will pay for loss or damage caused directly or indirectly by **"flood"** in any one policy year, regardless of the number of occurrences or **"premises"** involved, is the Annual Aggregate Limit of Insurance shown on the Declarations for Flood.

These Limits are included in, and not in addition to, any other applicable Limits of Insurance.

D. DEDUCTIBLE

1. The Flood Deductible only applies to loss or damage that, but for the application of the Deductible, would be paid by us under this Commercial Property Coverage Part.
2. With respect to loss or damage caused directly or indirectly by **"flood"**, the Deductible section is replaced by the following:

We will not pay for loss, damage, cost, or expense at any one **"premises"** in any one occurrence until the amount of covered loss, damage, cost, or expense exceeds the Flood Deductible shown on the Declarations for that **"premises"**. We will then pay for the amount of covered loss, damage, cost, or expense in excess of the Deductible, up to the applicable Limits of Insurance.

If more than one **"premises"** suffers loss or damage in one occurrence, the applicable Deductibles shown on the Declarations will apply separately and individually to covered loss, damage, cost, or expense at each **"premises"**.

The Flood Deductibles apply to all covered loss, damage, cost, or expense covered by **"time element coverage"** when the loss, damage, cost, or expense is caused directly or indirectly by covered **"flood"** even if no other deductible applies to the **"time element coverage"**.

E. COINSURANCE

The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.



Off-Premises Service Interruption--Time Element

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES
(EXCLUDING EXTRA EXPENSE)--TECHNOLOGY
COMMERCIAL PROPERTY DEFINITIONS
EXTRA EXPENSE COVERAGE FORM**

SCHEDULE

Premises #	Water/ Sewer	POWER		COMMUNICATION	
		With Overhead T&D Property	Without Overhead T&D Property	With Overhead T&D Property	Without Overhead T&D Property
1	X		X		X
4	X		X		X

A. COVERAGE

1. Blanket Business Income and Extra Expense

For those "**premises**" and "**reported unscheduled premises**" at which a Blanket Business Income and Extra Expense Limit of Insurance is shown on the Declarations:

a. The following Additional Coverage is added to the following forms:

**BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY**

We will pay for the actual loss of "**business income**" you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an "**off-premises service interruption**". The interruption must result from direct physical loss or damage directly caused by a "**covered cause of loss**" to property:

- a. Located away from the "**premises**" or "**reported unscheduled premises**"; and
- b. Used to provide the services checked by an "X" in the Schedule above to the "**premises**" or "**reported unscheduled premises**".

The most we will pay under this Additional Coverage at any one "**premises**" or "**reported unscheduled premises**" is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

b. The following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b.** Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income and Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

2. Business Income

For those **"premises"** and **"reported unscheduled premises"** at which a Business Income Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the following forms:

BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE)
BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING
EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY

We will pay for the actual loss of **"business income"** you sustain, as determined by the applicable Coverage Form, provided such loss was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and
- b.** Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage at any one **"premises"** or **"reported unscheduled premises"** is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Business Income.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

3. Extra Expense

For those **"premises"** and **"reported unscheduled premises"** at which an Extra Expense Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the EXTRA EXPENSE COVERAGE FORM:

We will pay for the actual and necessary **"extra expense"** you incur, provided such **"extra expense"** was caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a.** Located away from the **"premises"** or **"reported unscheduled premises"**; and

- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"** or **"reported unscheduled premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Extra Expense.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

4. Research and Development Continuing Expenses

For those **"premises"** at which a Research and Development Continuing Expenses Limit of Insurance is shown on the Declarations, the following Additional Coverage is added to the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

We will pay for the actual and necessary **"research and development continuing expenses"** you incur, provided such **"research and development continuing expenses"** were caused by an **"off-premises service interruption"**. The interruption must result from direct physical loss or damage directly caused by a **"covered cause of loss"** to property:

- a. Located away from the **"premises"**; and
- b. Used to provide the services checked by an "X" in the Schedule above to the **"premises"**.

The most we will pay under this Additional Coverage is the Limit of Insurance shown on the Declarations for Off-Premises Service Interruption--Research and Development Continuing Expenses.

The Limit for this Additional Coverage is included in, and not in addition to, any other applicable Limits of Insurance.

B. With respect to loss or expense covered by this endorsement, the terms used in the Schedule above mean:

1. Communication

Communication includes video, voice, and data, but does not include **"information technology services"**.

2. Power

Power includes all sources of power, including steam and natural gas.

3. Reported Unscheduled Premises (RUP)

The Premises Symbol--RUP means all **"reported unscheduled premises"**.

4. T&D Property

The terms With Overhead T&D Property and Without Overhead T&D Property have the following meanings:

- a. With Overhead T&D Property means the property providing the applicable service includes **"overhead transmission and distribution property"** and **"transmission and distribution property"**.
- b. Without Overhead T&D Property means the property providing the applicable service includes **"transmission and distribution property"** but does not include **"overhead transmission and distribution property"**.

C. ADDITIONAL COVERAGES

- 1. The Civil Authority and Contractual Penalties Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) apply to loss of **"business income"** covered by this

endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

2. The Civil Authority, Contractual Penalties, and Delayed Net Income Additional Coverages contained in the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY apply to loss of **"business income"** and **"research and development continuing expenses"** covered by this endorsement. However, these Additional Coverages will not increase the applicable Off-Premises Service Interruption Limits of Insurance.
3. The Civil Authority Additional Coverage contained in the EXTRA EXPENSE COVERAGE FORM is extended to apply to **"extra expense"** covered by this endorsement. However, this Additional Coverage will not increase the applicable Off-Premises Service Interruption Limits of Insurance.

D. ADDITIONAL DEFINITIONS

The following definitions are added to the COMMERCIAL PROPERTY DEFINITIONS:

"Overhead transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of:

- a. Overhead wires, cables, lines, conductors, including related equipment used with such property; and
- b. Poles, towers, similar structures, and any property mounted on them, including antennae, transmitters, and transformers.

"Overhead transmission and distribution property" does not mean satellites or any other orbiting equipment.

"Transmission and distribution property" means property located away from **"premises"** and **"reported unscheduled premises"** and used to provide power or communications services to **"premises"** and **"reported unscheduled premises"**, which consists of ground-level or underground wires, cables, lines, conductors, including related ground level or underground equipment used with such property.

"Transmission and distribution property" does not mean **"overhead transmission and distribution property"**.

- E. The Additional Condition--Coinsurance endorsement does not apply to coverage provided by this endorsement.

F. DEDUCTIBLE

We will not pay for any loss of **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** incurred in any one occurrence until the amount of loss or expense incurred exceeds the applicable Deductibles or is incurred after the applicable Waiting Periods shown on the Declarations for Off-Premises Service Interruption--Time Element. We will then pay the amount of actual **"business income"** loss sustained or actual and necessary **"extra expense"** or **"research and development continuing expenses"** incurred in excess of the Deductibles or incurred after the Waiting Periods, up to the applicable Limits of Insurance.

If a Waiting Period is shown on the Declarations, the Waiting Period begins immediately following the direct physical loss of or damage to property directly caused by a **"covered cause of loss"**.

With the exception of any applicable Named Storm Deductibles, any other deductible otherwise applicable to **"business income"**, **"extra expense"**, or **"research and development continuing expenses"** does not apply to coverage provided by this endorsement.



California Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the following:

COMMERCIAL PROPERTY CONDITIONS

- A. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by fire:

We do not provide coverage to the insured who, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- B. The Concealment, Misrepresentation, or Fraud Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect to loss or damage caused by a **"covered cause of loss"** other than fire:

This Commercial Property Coverage Part is void if any insured, whether before or after a loss, has committed fraud or intentionally concealed or misrepresented any material fact or circumstance concerning:

1. This Commercial Property Coverage Part;
2. The Covered Property;
3. That insured's interest in the Covered Property; or
4. A claim under this Commercial Property Coverage Part.

- C. Except as provided in D. below, the Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of each item of lost or damaged property as of the date of loss and amount of loss in accordance with the Valuation provisions of the applicable Coverage Form, or if not stated, the **"actual cash value"** and **"replacement cost"**. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

- D. The Appraisal Condition in the COMMERCIAL PROPERTY CONDITIONS is replaced by the following with respect losses covered by the BUSINESS INCOME COVERAGE FORM (EXCLUDING EXTRA EXPENSE) and the BUSINESS INCOME COVERAGE FORM INCLUDING RESEARCH AND DEVELOPMENT CONTINUING EXPENSES (EXCLUDING EXTRA EXPENSE)--TECHNOLOGY:

If we and you disagree on the amount of **"net income"** and **"continuing expenses"** or the amount of loss, either may make written request for an appraisal of the loss. If the request is accepted, each party will select a competent, disinterested, and impartial appraiser who has no direct or indirect financial interest in the claim. Each party shall notify the other of the appraiser selected within 20 days of the request. The two appraisers will select an umpire. If they cannot agree within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of **"net income"** and **"continuing expenses"** or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim in whole or in part, based on the terms and conditions of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

The following is added to the **Cancellation** Common Policy Condition:

If any one of the following conditions exists at any building that is Covered Property in this policy, we may cancel this Coverage Part by mailing or delivering to the first Named Insured written notice of cancellation at least five days before the effective date of cancellation.

A. The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:

1. Seasonal unoccupancy;
2. Buildings in the course of construction, renovation or addition; or
3. Buildings to which the Vacancy Permit endorsement applies.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

B. After damage by a covered cause of loss, permanent repairs to the building:

1. Have not started; and
2. Have not been contracted for, within 30 days of initial payment of loss.

C. The building has:

1. An outstanding order to vacate;
2. An outstanding demolition order;
3. Been declared unsafe by governmental authority.

D. Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

E. Failure to:

1. Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
2. Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- A. "Bodily injury", "property damage" or "personal and advertising injury " caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. "Fungi" or "bacteria"; or
 - 2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".
- B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.
- C. For the purposes of this exclusion, the following definitions are added:
 - 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
 - 2. "Spores" means reproductive bodies produced by or arising out of "fungi".
 - 3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

General Liability Supplemental Coverage Endorsement Technology



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following changes apply to this Coverage Part. However, endorsements attached to this Coverage Part will supersede any provisions to the contrary in this General Liability Supplemental Coverage Endorsement.

A. Broadened Named Insured

1. The following is added to **Section II – Who Is An Insured**:

Any organization of yours, other than a partnership or joint venture, which is not shown in the Declarations, and over which you maintain an ownership interest of more than 50% of such organization as of the effective date of this Coverage Part, will qualify as a Named Insured. However, such organization will not qualify as a Named Insured under this provision if it:

- a. Is newly acquired or formed during the policy period;
- b. Is also an insured under another policy, other than a policy written to apply specifically in excess of this Coverage Part; or
- c. Would be an insured under another policy but for its termination or the exhaustion of its limits of insurance.

Each such organization remains qualified as a Named Insured only while you maintain an ownership interest of more than 50% in the organization during the policy period.

2. The last paragraph of Section II – Who Is An Insured does not apply to this provision to the extent that such paragraph would conflict with this provision.

B. Newly Acquired or Formed Organizations as Named Insureds

1. Paragraph 3. of Section II – Who Is An Insured is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership or joint venture, and over which you maintain an ownership interest of more than 50% of such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

An additional premium will apply in accordance with our rules and rates in effect on the date you acquired or formed the organization.

2. The last paragraph of Section II – Who Is An Insured does not apply to this provision to the extent that such paragraph would conflict with this provision.

C. Insured Status – Employees

Paragraph 2.a.(1) of Section II – **Who Is An Insured** is replaced by the following:

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

However:

Paragraphs (1)(a) and (1)(d) do not apply to your "employees" or "volunteer workers", who are not employed by you or volunteering for you as health care professionals, for "bodily injury" arising out of "Good Samaritan Acts" while the "employee" or "volunteer worker" is performing duties related to the conduct of your business.

"Good Samaritan Acts" mean any assistance of a medical nature rendered or provided in an emergency situation for which no remuneration is demanded or received.

Paragraphs (1)(a), (b) and (c) do not apply to any "employee" designated as a supervisor or higher in rank, with respect to "bodily injury" to co-"employees". As used in this provision, "employees" designated as a supervisor or higher in rank means only "employees" who are authorized by you to exercise direct or indirect supervision or control over "employees" or "volunteer workers" and the manner in which work is performed.

D. Additional Insureds – Lessees of Premises

1. Section II – **Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) who leases or rents a part of the premises you own or manage who you are required to add as an additional insured on this policy under a written contract or written agreement, but only with respect to liability arising out of your ownership, maintenance or repair of that part of the premises which is not reserved for the exclusive use or occupancy of such person or organization or any other tenant or lessee.

This provision does not apply after the person or organization ceases to lease or rent premises from you.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

2. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section **III – Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph **D.1.** above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph **D.** shall not increase the applicable Limits of Insurance shown in the Declarations.

E. Additional Insured – Vendors

1. The following change applies if this Coverage Part provides insurance to you for "bodily injury" and "property damage" included in the "products-completed operations hazard":

Section **II – Who Is An Insured** is amended to include as an additional insured any person or organization (referred to throughout this Paragraph **E.** as vendor) who you have agreed in a written contract or written agreement, prior to loss, to name as an additional insured, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business:

However, the insurance afforded to such vendor:

- a. Only applies to the extent permitted by law; and
 - b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.
2. With respect to the insurance afforded to these vendors, the following additional exclusions apply:
- a. The insurance afforded the vendor does not apply to:
 - (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - (2) Any express warranty unauthorized by you;
 - (3) Any physical or chemical change in the product made intentionally by the vendor;
 - (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (a) The exceptions contained in Subparagraphs (4) or (6); or
 - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
 - b. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

- c. This insurance does not apply to any of "your products" for which coverage is excluded under this Coverage Part.
- 3. With respect to the insurance afforded to the vendor under this endorsement, the following is added to Section III – **Limits Of Insurance**:

The most we will pay on behalf of the vendor is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph E.1. above (of this endorsement); or
- b. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This Paragraph E. shall not increase the applicable Limits of Insurance shown in the Declarations.

F. Additional Insured – Managers, Lessors or Governmental Entity

- 1. **Section II – Who Is An Insured** is amended to include as an additional insured any person or organization who is a manager, lessor or governmental entity who you are required to add as an additional insured on this policy under a written contract, written agreement or permit, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
 - b. The acts or omission of those acting on your behalf; and
- resulting directly from:

- a. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit;
- b. Ownership, maintenance, occupancy or use of premises by you; or
- c. Maintenance, operation or use by you of equipment leased to you by such person or organization.

However, the insurance afforded to such additional insured:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

- 2. This provision does not apply:
 - a. Unless the written contract or written agreement has been executed, or the permit has been issued, prior to the "bodily injury", "property damage" or offense that caused "personal and advertising injury";
 - b. To any person or organization included as an insured under Paragraph 3. of Section II – Who Is An Insured;
 - c. To any lessor of equipment if the "occurrence" or offense takes place after the equipment lease expires;
 - d. To any:
 - (1) Owners or other interests from whom land has been leased by you; or
 - (2) Managers or lessors of premises, if:
 - (a) The "occurrence" or offense takes place after the expiration of the lease or you cease to be a tenant in that premises;
 - (b) The "bodily injury", "property damage" or "personal and advertising injury" arises out of the structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or
 - (c) The premises are excluded under this Coverage Part.

- 3. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section III – **Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the written contract or written agreement referenced in Subparagraph **F.1.** above (of this endorsement); or
 - b. Available under the applicable Limits of Insurance shown in the Declarations,
- whichever is less.

This Paragraph **F.** shall not increase the applicable Limits of Insurance shown in the Declarations.

G. Damage to Premises Rented or Occupied by You

1. The last paragraph under Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **n.** do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage To Premises Rented To You Limit of Insurance applies to this coverage as described in Section **III – Limits Of Insurance**.

2. Paragraph **6.** of Section **III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

H. Broadened Contractual Liability

The "insured contract" definition under the **Definitions** Section is replaced by the following:

"Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage", or "personal and advertising injury" arising out of the offenses of false arrest, detention or imprisonment, to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (1) above and supervisory, inspection, architectural or engineering activities.

I. Definition – Specific Perils

The following definition is added to the **Definitions** Section:

"Specific perils" means:

- a. Fire;
- b. Lightning;

- c. Explosion;
- d. Windstorm or hail;
- e. Smoke;
- f. Aircraft or vehicles;
- g. Vandalism;
- h. Weight of snow, ice or sleet;
- i. Leakage from fire extinguishing equipment, including sprinklers; or
- j. Accidental discharge or leakage of water or steam from any part of a system or appliance containing water or steam.

J. Limited Contractual Liability Coverage – Personal and Advertising Injury

1. Exclusion e. of Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement.

This exclusion does not apply to:

(1) Liability for damages that the insured would have in the absence of the contract or agreement; or

(2) Liability for "personal and advertising injury" if:

(a) The "personal and advertising injury" arises out of the offenses of false arrest, detention or imprisonment;

(b) The liability pertains to your business and is assumed in a written contract or written agreement in which you assume the tort liability of another. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; and

(c) The "personal and advertising injury" occurs subsequent to the execution of the written contract or written agreement.

Solely for purposes of liability so assumed in such written contract or written agreement, reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury" described in Paragraph (a) above, provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same written contract or written agreement; and

(ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. Paragraph 2.d. of Section I – Supplementary Payments – Coverages A and B is replaced by the following:

d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

3. The following is added to the paragraph directly following Paragraph 2.f. of Section I – Supplementary Payments – Coverages A and B:

Notwithstanding the provisions of Paragraph 2.e.(2) of Section I – Coverage B – Personal And Advertising Injury Liability, such payments will not be deemed to be damages for "personal and advertising injury" and will not reduce the limits of insurance.

K. Internet and Multimedia Services

Exclusion j. of Section I – Coverage B – Personal And Advertising Injury Liability is replaced by the following:

Exclusions

This insurance does not apply to:

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of websites for others; or
 - (3) An Internet search, access, content or service provider; and
- arising out of goods, products or services provided by any insured to others.

However, this exclusion does not apply to Paragraphs **14.a., b. and c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

L. Supplementary Payments

The following changes apply to **Supplementary Payments – Coverages A and B:**

Paragraphs **1.b.** and **1.d.** are replaced by the following:

- b.** Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

M. Broadened Property Damage**1. Property Damage to Contents of Premises Rented Short-Term**

The paragraph directly following Paragraph **(6)** in Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Paragraphs **(1), (3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III – Limits Of Insurance**.

2. Elevator Property Damage

- a.** The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraphs **(3)** and **(4)** of this exclusion do not apply to "property damage" arising out of the use of an elevator at premises you own, rent or occupy.

- b.** The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy is \$25,000 per "occurrence".

3. Property Damage to Borrowed Equipment

- a.** The following is added to Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**:

Paragraph **(4)** of this exclusion does not apply to "property damage" to equipment you borrow from others at a jobsite.

- b.** The following is added to Section **III – Limits Of Insurance**:

Subject to Paragraph **5.** above, the most we will pay under Coverage **A** for damages because of "property damage" to equipment you borrow from others is \$25,000 per "occurrence".

N. Expected or Intended Injury or Damage

Exclusion a. of Section I – **Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

a. Expected Or Intended Injury Or Damage

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

O. Definitions – Bodily Injury

The "bodily injury" definition under the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish, mental injury, shock, fright or death sustained by that person which results from that bodily injury, sickness or disease.

P. Electronic Data

Exclusion p. of Section I – **Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury" or physical injury to tangible property including all resulting loss of use of that property.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

Q. Insured Status – Amateur Athletic Participants

Section II – **Who Is An Insured** is amended to include as an insured any person you sponsor while participating in amateur athletic activities. However, no such person is an insured for:

a. "Bodily injury" to:

- (1) Your "employee", "volunteer worker" or any person you sponsor while participating in such amateur athletic activities; or
- (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company) while participating in such amateur athletic activities; or

b. "Property damage" to property owned by, occupied or used by, rented to, in the care, custody or control of, or over which the physical control is being exercised for any purpose by:

- (1) Your "employee", "volunteer worker" or any person you sponsor; or
- (2) You, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

R. Non-Owned Aircraft, Auto and Watercraft

Exclusion g. of Section I – **Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) An aircraft that is hired or chartered by you or loaned to you, with a paid and licensed crew, and is not owned in whole or in part by an insured; or
- (6) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

S. Definitions – Leased Worker, Temporary Worker and Labor Leasing Firm

- 1. The "leased worker" and "temporary worker" definitions under the **Definitions** Section are replaced by the following:

"Leased worker" means a person leased to you by a "labor leasing firm" under a written agreement between you and the "labor leasing firm", to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

"Temporary worker" means a person who is furnished to you to support or supplement your work force during "employee" absences, temporary skill shortages, upturns or downturns in business or to meet seasonal or short-term workload conditions. "Temporary worker" does not include a "leased worker".
- 2. The following definition is added to the **Definitions** Section:

"Labor leasing firm" means any person or organization who hires out workers to others, including any:

 - a. Employment agency, contractor or services;
 - b. Professional employer organization; or
 - c. Temporary help service.

T. Definition – Mobile Equipment

Paragraph **f.** of the "mobile equipment" definition under the **Definitions** Section is replaced by the following:

- f. Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment, exceeding a combined gross vehicle weight of 1000 pounds, are not "mobile equipment" but will be considered "autos":

 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

U. Definitions – Your Product and Your Work

The "your product" and "your work" definitions under the **Definitions** Section are replaced by the following:

"Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

"Your work":

a. Means:

(1) Work, services or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work, services or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance, use, handling, maintenance, operation or safety of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

V. Priority Condition

The following paragraph is added to Section **III – Limits Of Insurance**:

In the event a claim is made or "suit" is brought against more than one insured seeking damages because of "bodily injury" or "property damage" caused by the same "occurrence" or "personal and advertising injury" caused by the same offense, we will apply the Limits of Insurance in the following order:

(a) You;

(b) Your "executive officers", partners, directors, stockholders, members, managers (if you are a limited liability company) or "employees"; and

(c) Any other insured in any order that we choose.

W. Duties in the Event of Occurrence, Offense, Claim or Suit Condition

The following paragraphs are added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to any insured listed under Paragraph **1.** of Section **II – Who Is An Insured** or an "employee" authorized by you to give or receive such notice. Knowledge by other "employees" of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to the workers compensation carrier of the Named Insured and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition.

You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

X. Other Insurance Condition

Paragraphs **4.a.** and **4.b.(1)** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions** are replaced by the following:

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below. However, this insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

Other insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

b. Excess Insurance

- (1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i) That is property insurance, Builder's Risk, Installation Risk or similar coverage for "your work";
- (ii) That is property insurance purchased by you (including any deductible or self insurance portion thereof) to cover premises rented to you or temporarily occupied by you with permission of the owner;
- (iii) That is insurance purchased by you (including any deductible or self insurance portion thereof) to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**; or
- (v) That is property insurance (including any deductible or self insurance portion thereof) purchased by you to cover damage to:
 - Equipment you borrow from others; or
 - Property loaned to you or personal property in the care, custody or control of the insured arising out of the use of an elevator at premises you own, rent or occupy.

- (b) Any other primary insurance (including any deductible or self insurance portion thereof) available to the insured covering liability for damages arising out of the premises, operations, products, work or services for which the insured has been granted additional insured status either by policy provision or attachment of any endorsement. Other primary insurance includes any type of self insurance or other mechanism by which an insured arranges for funding of its legal liabilities.

- (c) Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

Y. Unintentional Failure to Disclose All Hazards

Paragraph **6. Representations** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

- a. Fail to disclose all hazards existing at the inception of this policy; or
- b. Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

Z. Waiver of Right of Subrogation

Paragraph **8. Transfer Of Rights Of Recovery Against Others To Us** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

8. Transfer Of Rights Of Recovery Against Others To Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If the insured waives its right to recover payments for injury or damage from another person or organization in a written contract executed prior to a loss, we waive any right of recovery we may have against such person or organization because of any payment we have made under this Coverage Part. The written contract will be considered executed when the insured's performance begins, or when it is signed, whichever happens first. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest

AA. Liberalization Condition

The following condition is added to Section **IV – Commercial General Liability Conditions**:

Liberalization Clause

If we revise this Coverage Part to broaden coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in the state shown in the mailing address of your policy.

All other terms and conditions of this policy remain unchanged.

General Liability Supplemental Coverage Endorsement

Technology

Quick Reference



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Recording And Distribution Of Material Or Information In Violation Of Law Exclusion **ZURICH®**

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

- A. Exclusion q. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.

Policyholder Notice - General Liability Access Or Disclosure Of Confidential Or Personal Information Exclusions



This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is a conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsements, which applies to your renewal policy being issued by us:

CG 21 06 05 14 – Exclusion – Access Or Disclosure Of Confidential Or Personal Information And Data – related Liability – With Limited Bodily Injury Exception (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

- Under Coverage **A** – Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of any person's or organization's confidential or personal information. This is a reinforcement of coverage intent.
- Under Coverage **B** - Personal And Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of any person's or organization's confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 21 07 05 14 – Exclusion – Access or Disclosure of Confidential or Personal Information and Data-related Liability – Limited Bodily Injury Exception Not Included (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy:

- Under Coverage **A** – Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of any person's or organization's confidential or personal information. This is a reinforcement of coverage intent. Coverage is also excluded for damages because of bodily injury arising out of loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. This is a reduction of coverage.
- Under Coverage **B** – Personal and Advertising Injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of any person's or organization's confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction of coverage.

CG 21 08 05 14 – Exclusion – Access Or Disclosure Of Confidential Or Personal Information (Coverage B Only) (For Use With The Commercial General Liability Coverage Part)

When this endorsement is attached to your policy, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of any person's or organization's confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction in coverage.

CG 04 37 05 14 – Electronic Data Liability (For Use With The Commercial General Liability Coverage Part)

With respect to damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, when this endorsement is attached to your policy:

- Under Coverage **A** – Bodily Injury And Property Damage Liability, coverage is excluded for damages arising out of any access to or disclosure of any person's or organization's confidential or personal information. This is a reinforcement of coverage intent.
- Under Coverage **B** – Personal And Advertising injury Liability, coverage is excluded for personal and advertising injury arising out of any access to or disclosure of any person's or organization's confidential or personal information. To the extent that any access or disclosure of confidential or personal information results in an oral or written publication that violates a person's right of privacy, this may result in a reduction of coverage.

CG 33 53 05 14 – Exclusion – Access Or Disclosure Of Confidential Or Personal Information And Data – related Liability – With Limited Bodily Injury Exception (For Use With The Owners and Contractors Protective Liability Coverage Part and Products/Completed Operations Coverage Parts)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of any person's or organization's confidential or personal information. This is a reinforcement of coverage intent.

CG 33 59 05 14 – Exclusion – Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability – Limited Bodily Injury Exception Not Included (For Use With The Owners And Contractors Protective Liability and Products/Completed Operations Liability Coverage Parts)

When this endorsement is attached to your policy, coverage is excluded for damages arising out of any access to or disclosure of any person's or organization's confidential or personal information. This is a reinforcement of coverage intent. Coverage is also excluded for damages because of bodily injury arising out of loss, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. This is a reduction of coverage.

Employee Benefits Liability – Claims-Made Coverage Form

This Coverage Form provides *claims-made* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

- A. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of an act, error, or omission in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any "claim" and settle any "suit" that may result; but:

- (1) The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

- B. (1) This insurance applies to an act, error or omission only if:
- a. A "claim" arising out of the act, error or omission is first made against any "insured" during the policy period;
 - b. The act, error, or omission takes place in the "coverage territory";
 - c. The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a "claim" or "suit"; and
 - d. The act, error, or omission did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period.

- (2) A "claim" will be deemed to have been made when notice of such claim is received and recorded by any "insured" or by us, whichever comes first. "All "claims" for damages to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any "insured".

2. Exclusions

This insurance does not apply to:

- A. "Bodily injury", "property damage", or "personal and advertising injury";
- B. Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;
- C. Any "claim" or "suit" arising out of discrimination or humiliation;
- D. Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;
- E. Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, disability benefits law, or similar laws;
- F. Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;
- G. Any "claim" or "suit" arising out of:
 - (1) Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";
 - (2) The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

- (3) Any investment activity, including the management, administration or disposition of assets of your "employee benefit programs"; or
 - (4) Failure of any investment to perform as represented by any "insured".
- H.** Any "claim" or "suit" arising out of an "insured's" liability as a fiduciary under:
- a.** The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or
 - b.** The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any "claim" we investigate or settle or "suit" we defend:

- A.** All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our insurance.
- B.** Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.
- C.** All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- D.** Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

- A.** The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - (1) "Insureds";
 - (2) "Claims" made or "suits" brought; or
 - (3) "Employees" or dependents or beneficiaries of "employees" making "claims" or bringing "suits".
- B.** The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

- C.** Subject to the Aggregate Limit provisions in **B.** above, the Each Claim Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".
- D.** The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

- (1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a "claim". To the extent possible, notice should include:
 - a.** How, when, and where the act, error, or omission took place;
 - b.** The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

Notice of an act, error, or omission is not notice of a "claim".

- (2) If a "claim" is received by any "insured", you must:
 - a.** Immediately record the specifics of the "claim" and the date received; and
 - b.** Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

- (3) You and any other involved "insured" must:
 - a.** Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the "claim" or "suit";
 - b.** Authorize us to obtain records and other information;

- c. Cooperate with us in the investigation, settlement, or defense of the "claim" or "suit"; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.
- (4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

- (1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or
- (2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover under this Coverage Part, our obligations are limited as follows:

(1) Primary Insurance

This insurance is primary except when **2.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **3.** below.

(2) Excess Insurance

This insurance is excess over any other insurance whether primary, excess, contingent, or on any other basis that is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to an act, error, or omission on other than a claims-made basis, if:

- a. No Retroactive Date is shown in the Declarations of this insurance; or
- b. The other insurance has a policy period which continues after the Retroactive Date, if any, shown in the Declarations of this insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- i. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- ii. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

(3) Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- (1) As if each Named Insured were the only Named Insured; and
- (2) Separately to each "insured" against whom "claim" is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- (2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

- (1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";
- (2) Handling records in connection with "employee benefit programs"; or
- (3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Claim" means:

The receipt by you of a demand for money or services which alleges an act, error, or omission in the "administration" of your "employee benefit programs."

E. "Coverage territory" means:

- (1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or
- (2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **E. 1.** above, or in a settlement to which we agree.

F. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

G. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

H. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

I. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- (1) False arrest, detention, or imprisonment;
- (2) Malicious prosecution;
- (3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;
- (4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or
- (5) Oral or written publication, in any manner, of material that violates a person's right of privacy;
- (6) The use of another's advertising idea in your "advertisement"; or
- (7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. "Property damage" means:

- (1) Physical injury to tangible property, including all resulting loss of use of that property.
- (2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

K. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: CPO 5912284-03

ZURICH AMERICAN INSURANCE COMPANY

Named Insured OMNICELL INC

Policy Period: Coverage begins 09-01-2015 at 12:01 A.M.; Coverage ends 09-01-2016 at 12:01 A.M.

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Business Description:**Item 2. Limits of Insurance**

GENERAL AGGREGATE LIMIT	\$	<u>5,000,000</u>	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$	<u>5,000,000</u>	
EACH OCCURRENCE LIMIT	\$	<u>1,000,000</u>	
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$	<u>1,000,000</u>	Any one premises
MEDICAL EXPENSE LIMIT	\$	<u>10,000</u>	Any one person
PERSONAL AND ADVERTISING INJURY LIMIT	\$	<u>1,000,000</u>	Any one person or organization

Item 3. Retroactive Date (CG 00 02 ONLY)

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense which occurs before the Retroactive Date, if any, shown here: NONE
(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations****Item 5. Schedule of Forms and Endorsements**

Form(s) and Endorsement(s) made a part of this Policy at time of issue:

See Schedule of Forms and Endorsements**Item 6. Premiums**

Coverage Part Premium:	\$	84,722.00
Other Premium:		
Total Premium:	\$	84,722.00

EMPLOYEE BENEFIT LIABILITY COVERAGE PART - CLAIMS MADE DECLARATIONS

Policy Number: CPO 5912284-03

Named Insured: OMNICELL INC

Policy Period: Coverage begins 09-01-2015 at 12:01 A.M; Coverage ends 09-01-2016 at 12:01 A.M

Producer Name: MARSH RISK & INSURANCE SERVICES

Producer No. 70074-000

Item 1. Limits of Insurance\$ 3,000,000 Aggregate Limit\$ 1,000,000 Each Claim Limit**Item 2. Form of Business:**

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation
☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate	Advance Premium
<u>92100</u>	<u>1100</u>	\$ <u>INCL</u> Per Employee	\$ <u>INCL</u>
		\$ <u>INCL</u> Flat Charge	\$ <u>INCL</u>

Total Advance Premium For This Coverage Part: \$ INCLAudit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly**Forms And Endorsements Applicable To This Coverage Part:****SEE SCHEDULE OF FORMS AND ENDORSEMENTS****Retroactive Date:**9/01/2012 (Enter date or "None" if no Retroactive Date applies)

This insurance does not apply to damages caused by an act, error, or omission which occurred before the Retroactive Date, if any, shown above.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS**1. Insuring Agreement**

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

- 1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage **C**;
- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
 if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1)** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2)** That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a)** Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b)** Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3)** Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e.** Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2)** Cherry pickers and similar devices used to raise or lower workers;
- f.** Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.



Additional Insured – Automatic – Owners, Lessees Or Contractors

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: OMNICELL INC

Address (including ZIP Code):

590 E MIDDLEFIELD RD

MOUNTAIN VIEW, CA. 94043-4008

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Section II – Who Is An Insured is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,

in the performance of your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

- a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

- C. The following is added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
2. We receive written notice of a claim or "suit" as soon as practicable; and
3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

- D. For the purposes of the coverage provided by this endorsement:

1. The following is added to the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:
Primary and Noncontributory insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

- a. The additional insured is a Named Insured under such other insurance; and
- b. You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph **4.b.** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

- E. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.
- F. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section **III – Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract or written agreement referenced in Paragraph **A.** of this endorsement; or
2. Available under the applicable Limits of Insurance shown in the Declarations, whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** and **Coverage B - Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Asbestos

- A.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- B.** Any sums that any insured or other entity must pay, repay or reimburse because of any:
 - 1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - 2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- C.** Any other loss, cost or expense arising out of or relating in any way to asbestos.

Premium And Reports Agreement – Composite Rated Policies



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:

Commercial General Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Owners Contractors Protective Coverage Part
Railroad Protective Coverage Part

Schedule

1. Unit of Exposure:

<input type="checkbox"/> Gross sales	<input type="checkbox"/> Area	<input type="checkbox"/> Gallons
<input type="checkbox"/> Each	<input type="checkbox"/> Rooms	<input type="checkbox"/> General Liability Payroll
<input type="checkbox"/> Admissions	<input type="checkbox"/> Units	<input type="checkbox"/> Rounds played
<input type="checkbox"/> Total Cost	<input type="checkbox"/> Total Operating Expenditures	<input type="checkbox"/> Occupied rooms
<input type="checkbox"/> Licensed Autos	<input type="checkbox"/> Workers Compensation Payroll	<input checked="" type="checkbox"/> Other
<u>DOMESTIC SALES ONLY-FOREIGN EXCL</u>		

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
COMPUTER SOFTWARE	\$416,900,000.		
MFG-PRE-PACKAGED			
PREMISES/OPERATIONS		0.145	\$60,451
PROD/COMPLETED OPS		0.045	\$18,761
	TOTAL RATE:	0.103	\$79,212
EMPL BENEFITS LIAB			\$681
SUPPLEMENTAL COVERAG			3271 F/C
TERRORISM		2% OF GL	\$1,661
		PREMIUM	

(Add more rows as required)

3. Deposit Premium: \$79,212
 4. Minimum Premium: \$63,369

Condition 5, **Premium Audit**, of Section IV, **Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.
- b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.
- c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.
- d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.
- e. The units of exposure shown in the Schedule are defined as follows:
 1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
 2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
 3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
 4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
 5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
 6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
 8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less than 10 holes will be counted as a half round toward the total number of rounds of golf played.
 9. **Each** means the total number of exposure units as described in the exposure basis.
 10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
 11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
 12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
 13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
 14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
 15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

The term "spouse" is replaced by the following:

Spouse or registered domestic partner under California law.



Deductible Endorsement Claims-Made

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: \$ 1,000

1. The deductible amount stated above shall be deducted from the amount of all "claims" arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per "claim" basis. The Aggregate Limit will not be reduced by the application of such deductible.
2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
 - a. Our rights and duties with respect to the defense of "suits"; and
 - b. The "insured's" duties in the event of an act, error, or omission or a "claim" or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
COUNTY OF SANTA CLARA COUNTY OF SANTA CLARA, AND MEMBERS OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA, AND THE OFFICERS, AGENTS AND EMPLOYEES OF THE COUNTY OF SANTA CLARA, INDIVIDUALLY AND COLLECTIVELY ARE C/O EBIX BPO P.O. BOX 257, REF. #84-1018374 PORTLAND, MI USA 48875-0257	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY EXCLUSION – COMPUTER SOFTWARE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any service described above.

- B. With respect to the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software including electronic data processing programs, designs, specifications, manuals and instructions, Exclusion 2.b. Contractual Liability under Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:**

2. Exclusions

This insurance does not apply to:

- b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** Paragraph **A.2.b.** of the Common Policy Conditions, **Cancellation**, is changed to read as follows:
 - b.** 45 days before the effective date of cancellation if we cancel for any other reason.
- B.** Paragraph **A.4.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
 - 4.** Notice of cancellation will state the effective date of, and reason(s) for, the cancellation. The policy period will end on that date.
- C.** Paragraph **A.5.** of the Common Policy Conditions, **Cancellation**, is replaced by the following:
 - 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.
If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.
The cancellation will be effective even if we have not made or offered a refund.
- D.** The following is added to Paragraph **A.** of the Common Policy Conditions, **Cancellation**:
 - 7.** If this policy provides Personal Injury Protection, Property Damage Liability Coverage or both and:
 - a.** It is a new or renewal policy, it may not be cancelled by the first Named Insured during the first 60 days immediately following the effective date of the policy or renewal, except for one of the following reasons:
 - (1)** The covered "auto" is completely destroyed such that it is no longer operable;
 - (2)** Ownership of the covered "auto" is transferred; or
 - (3)** The Named Insured has purchased another policy covering the motor vehicle insured under this policy.
 - b.** It is a new policy, we may not cancel it during the first 60 days immediately following the effective date of the policy for nonpayment of premium unless a check used to pay us is dishonored for any reason or any other type of premium payment is subsequently determined to be rejected or invalid.

E. The following condition is added:

Nonrenewal

1. If we decide not to renew or continue this policy, we will mail you notice at least 45 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
2. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.
3. Notice of nonrenewal will state the reason(s) for the nonrenewal and the effective date of nonrenewal. The policy period will end on that date.



THIS NOTICE DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**NOTICE REGARDING TERRORISM PREMIUM
(FOR COMMERCIAL AUTOMOBILE INSURANCE)**

SCHEDULE*

Premium attributable to risk of loss resulting from terrorism for the Commercial Automobile line of insurance:	
Automobile	\$310.00

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Terrorism Risk Insurance Act ('TRIA')

The Commercial Automobile line is not part of TRIA. On December 22, 2005, the President of the United States signed the first TRIA extension act into law and, at that time, the Commercial Auto line was removed from the program. The federal government does not share in Commercial Automobile terrorism losses..

B. Disclosure of Terrorism Premium

We have elected to provide notice to you of the amount of the total policy premium attributable to the risk of loss from terrorism for the Commercial Automobile line of insurance.

POLICY NUMBER: CPO 5912284-03

COMMERCIAL AUTO

ZURICH AMERICAN INSURANCE COMPANY

1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150

BUSINESS AUTO DECLARATIONS

ITEM ONE

PRODUCER:

MARSH RISK & INSURANCE SERVICES

NAMED INSURED:

OMNICELL INC

(SEE NAMED INSURED ENDORSEMENT)

MAILING ADDRESS:

590 E MIDDLEFIELD RD
MOUNTAIN VIEW, CA 94043-4008

POLICY PERIOD:

From 09-01-2015 to 09-01-2016 at 12:01 A.M. Standard Time at your
mailing address shown above

PREVIOUS POLICY NUMBER:

CPO 5912284-02

FORM OF BUSINESS:☒

CORPORATION

☐

LIMITED LIABILITY COMPANY

☐

INDIVIDUAL

☐

PARTNERSHIP

☐

OTHER

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception: \$ 31,229.52								
AUDIT PERIOD (IF APPLICABLE)	X	ANNUALLY		SEMI-ANNUALLY		QUARTERLY		MONTHLY

ENDORSEMENTS ATTACHED TO THIS POLICY:

IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)

IL 00 21 –Broad Form Nuclear Exclusion (not Applicable in New York) (IL 01 98 in Washington)

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTERSIGNED

(Date)

BY

(Authorized Representative)

ITEM TWO**Schedule Of Coverages And Covered Autos**

This policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the coverage.**

COVERAGES	COVERED AUTOS	LIMIT	PREMIUM
COVERED AUTOS LIABILITY	1	\$1,000,000	\$ 21,201
PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)		SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.	
ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)		SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.	
PROPERTY PROTECTION INSURANCE (Michigan only)		SEPARATELY STATED IN THE PROPERTY PROTECTION INSURANCE ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT.	
AUTO MEDICAL PAYMENTS	2	\$ 5,000 EACH INSURED	\$ 334
MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)		SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.	
UNINSURED MOTORISTS	2	SEE ENDT	\$ 739
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)	2	SEE ENDT	INCL
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	7, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING. See ITEM FOUR For Hired or Borrowed Autos.	\$ 2,579
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM. See ITEM FOUR For Hired Or Borrowed Autos.	
PHYSICAL DAMAGE COLLISION COVERAGE	7, 8	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS SEE ENDT DEDUCTIBLE, FOR EACH COVERED AUTO. See ITEM FOUR For Hired Or Borrowed Autos.	\$ 5,456
PHYSICAL DAMAGE TOWING AND LABOR		FOR EACH DISABLEMENT OF A PRIVATE PASSENGER AUTO.	
TAX/SURCHARGE/FEE			\$ 3.52
PREMIUM FOR ENDORSEMENTS			\$ 917
*ESTIMATED TOTAL PREMIUM			\$ 31,229.52

*This policy may be subject to final audit.

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN

Covered Auto No.	DESCRIPTION				TERRITORY		Original Cost New
	Year, Model, Trade Name, Body Type Serial Number (S) Vehicle Identification Number (VIN)				Town & State Where The Covered Auto Will Be Principally Garaged		
CA1	2006, DODGE SPRINTER 2500, WD0PD744465916868				MOUNTAIN VIEW CA, 053		\$ 35,755 ACV
CA2	2006, DODGE SPRINTER 2500, WD0PD744865930336				MOUNTAIN VIEW CA, 053		\$ 35,755 ACV
FL5	2006, FORD F150, 1FTRF12266NA15219				SAINT PETERSBURG FL, 106		\$ 23,325 ACV
Covered Auto No.	CLASSIFICATION						EXCEPT For Towing, All Physical Damage Loss Is Payable To You And The Loss Payee Named Below According To Their Interests In The Auto At The Time Of The Loss:
	Radius Of Operation	Business Use s= service r= retail c= commercial	Size GVW, GCW Or Vehicle Seating Capacity	Age Group	Secondary Rating Classification	Code	
CA1	50	C	8,550	10	All Others	031990	
CA2	50	C	8,550	10	All Others	031990	
FL5	50	C	10,000	10	All Others	031990	
Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES						
	(Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	COVERED AUTOS LIABILITY		PERSONAL INJURY PROTECTION		ADDED P.I.P.	PROPERTY PROTECTION (Michigan Only)	
	Limit	Premium	Limit Stated In Each P.I.P. Endt. Minus Deductible Shown Below	Premium	Premium For Limit Stated In Each Added P.I.P. Endt.	Limit Stated In P.P.I. Endt. Minus Deductible Shown Below	Premium
CA1	\$ 1,000,000	\$ 831					
CA2	\$ 1,000,000	\$ 831					
FL5	\$ 1,000,000	\$ 5,638					
Total Premium		\$ 7,300					

ITEM THREE

SCHEDULE OF COVERED AUTOS YOU OWN (Continued)

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	AUTO MEDICAL PAYMENTS		MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia Only)		UNINSURED MOTORISTS		UNDERINSURED MOTORISTS
	Limit Each Insured	Premium	Limit Stated In The Medical Expense and Income Loss Benefits Endorsement For Each Person	Premium	Limit	Premium	Premium
CA1	\$5,000	\$ 45			\$ 1,000,000	\$ 126	INCL
CA2	\$5,000	\$ 45			\$ 1,000,000	\$ 126	INCL
FL5	\$5,000	\$ 244			\$ 1,000,000	\$ 487	INCL
Total Premium		\$ 334				\$ 739	INCL

Covered Auto No.	COVERAGES – PREMIUMS, LIMITS AND DEDUCTIBLES (Absence of a deductible or limit entry in any column below means that the limit or deductible entry in the corresponding ITEM TWO column applies instead.)						
	COMPREHENSIVE		SPECIFIED CAUSES OF LOSS		COLLISION		TOWING & LABOR
	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Stated In ITEM TWO Minus Deductible Shown Below	Premium	Limit Per Disablement Premium
CA1	\$ 1,000	\$ 28			\$ 1,000	\$ 83	
CA2	\$ 1,000	\$ 28			\$ 1,000	\$ 83	
FL5	\$ 1,000	\$ 146			\$ 1,000	\$ 197	
Total Premium		\$ 202				\$ 363	

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	AL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	CA	\$ 1,400,000	\$ 13,412
TOTAL HIRED AUTO PREMIUM			
<p>For "autos" used in your motor carrier operations, cost of hire means:</p> <ol style="list-style-type: none"> 1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein, 2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and 3. The total dollar amount of any other costs (<i>i.e.</i>, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others. 			

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			
<p>For "autos" NOT used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>			

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	FL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	IL	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	KS	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			

For "autos" used in your motor carrier operations, cost of hire means:

1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein,
2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and
3. The total dollar amount of any other costs (*i.e.*, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others.

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			

For "autos" **NOT** used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS**

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage	LA	IF ANY	INCL
TOTAL HIRED AUTO PREMIUM			\$ 13,412
<p>For "autos" used in your motor carrier operations, cost of hire means:</p> <ol style="list-style-type: none"> 1. The total dollar amount of costs you incurred for the hire of automobiles (includes "trailers" and semitrailers), and if not included therein, 2. The total remunerations of all operators and drivers' helpers, of hired automobiles whether hired with a driver by lessor or an "employee" of the lessee, or any other third party, and 3. The total dollar amount of any other costs (<i>i.e.</i>, repair, maintenance, fuel, etc.) directly associated with operating the hired automobiles whether such costs are absorbed by the "insured", paid to the lessor or owner, or paid to others. 			

COVERED AUTOS LIABILITY COVERAGE – Cost Of Hire Rating Basis for Autos NOT Used In Your Motor Carrier Operations (Other Than Mobile Or Farm Equipment)			
COVERED AUTOS LIABILITY COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE	PREMIUM
Primary Coverage			
Excess Coverage			
TOTAL HIRED AUTO PREMIUM			
<p>For "autos" NOT used in your motor carrier operations, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.</p>			

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	\$1,400,000	\$ 2,352
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	CA	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	\$1,400,000	\$ 5,068
TOTAL HIRED AUTO PREMIUM				
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Physical Damage Coverages – Cost Of Hire Rating Basis For All Autos (Other Than Mobile or Farm Equipment)				
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)	PREMIUM
COMPREHENSIVE	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 100 DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.	IF ANY	\$ 25
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.		
COLLISION	FL	ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS \$ 1,000 DEDUCTIBLE FOR EACH COVERED AUTO.	IF ANY	\$ 25
TOTAL HIRED AUTO PREMIUM				\$ 7,470
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver.				

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile Or Farm Equipment — Other Than Physical Damage Coverages					
COVERAGE	STATE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL HIRED AUTO PREMIUM					
Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.					

ITEM FOUR

SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)

Cost Of Hire Rating Basis For Mobile or Farm Equipment – Physical Damage Coverages						
COVERAGE	STATE	LIMIT OF INSURANCE	ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (Excluding Autos Hired With A Driver)		PREMIUM	
			Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
COMPREHENSIVE		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO, BUT NO DEDUCTIBLE APPLIES TO LOSS CAUSED BY FIRE OR LIGHTNING.				
SPECIFIED CAUSES OF LOSS		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO FOR LOSS CAUSED BY MISCHIEF OR VANDALISM.				
COLLISION		ACTUAL CASH VALUE OR COST OF REPAIR, WHICHEVER IS LESS, MINUS DEDUCTIBLE FOR EACH COVERED AUTO.				
TOTAL HIRED AUTO PREMIUM						
For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any auto that is leased, hired, rented or borrowed with a driver.						

ITEM FOUR**SCHEDULE OF HIRED OR BORROWED COVERED AUTO COVERAGE AND PREMIUMS (Cont'd)**

Rental Period Rating Basis For Mobile Or Farm Equipment					
COVERAGE	TOWN AND STATE WHERE THE JOB SITE IS LOCATED	ESTIMATED NUMBER OF DAYS EQUIPMENT WILL BE RENTED		PREMIUM	
		Mobile Equipment	Farm Equipment	Mobile Equipment	Farm Equipment
Covered Autos Liability – Primary Coverage					
Covered Autos Liability – Excess Coverage					
Personal Injury Protection					
Medical Expense Benefits (Virginia Only)					
Income Loss Benefits (Virginia Only)					
Auto Medical Payments					
TOTAL HIRED AUTO PREMIUMS					

ITEM FIVE**SCHEDULE FOR NON-OWNERSHIP COVERED AUTOS LIABILITY**

NAMED INSURED'S BUSINESS	RATING BASIS	NUMBER	PREMIUM
Other Than Garage Service Operations And Other Than Social Service Agencies	Number Of Employees	400	\$ 489
	Number Of Partners (Active and Inactive)		
Garage Service Operations	Number Of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number Of Partners (Active and Inactive)		
Social Service Agencies	Number Of Employees		
	Number Of Volunteers Who Regularly Use Autos To Transport Clients		
	Number Of Partners (Active and Inactive)		
TOTAL NON-OWNERSHIP COVERED AUTOS LIABILITY PREMIUM			\$ 489

ITEM SIX**SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS**

Type Of Risk (Check one):	<input type="checkbox"/> Public Autos	<input type="checkbox"/> Leasing Or Rental Concerns
Rating Basis (Check one):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage (Per Mile)
Estimated Yearly (Check One):	<input type="checkbox"/> Gross Receipts (Per \$100)	<input type="checkbox"/> Mileage
Premiums		
Covered Autos Liability		
Personal Injury Protection		
Added Personal Injury Protection		
Property Protection Insurance (Michigan Only)		
Auto Medical Payments		
Medical Expense And Income Loss Benefits (Virginia Only)		
Comprehensive		
Specified Causes Of Loss		
Collision		
Towing And Labor		

When used as a premium basis:

FOR PUBLIC AUTOS

Gross receipts means the total amount earned by the named insured for transporting passengers, mail and merchandise.

Gross receipts does not include:

1. Amounts paid to air, sea or land carriers operating under their own permits.
2. Advertising revenue.
3. Taxes collected as a separate item and paid directly to the government.
4. C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing "autos" during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount earned by the named insured for the leasing or renting of "autos" to others without drivers.

Mileage means the total live and dead mileage of all "autos" you leased or rented to others without drivers.

BUSINESS AUTO COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" Only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos You Acquire After The Policy Begins

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II – COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
 - (1) Employment by the "insured"; or
 - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **a.** above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph **a.** above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III – PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
 - (2) Theft;
 - (3) Windstorm, hail or earthquake;
 - (4) Flood;
 - (5) Mischief or vandalism; or
 - (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
 - (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
 - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV – BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment – Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceals or misrepresents a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee – Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
 1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
 1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
 2. A sidetrack agreement;
 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises you own or rent;
 3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
 1. Damages because of "bodily injury" or "property damage"; or
 2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.
 "Suit" includes:
 - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, Kansas, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. The paragraph within **Supplementary Payments** relating to court costs taxed against the "insured" is replaced by the following:

All costs taxed against the "insured" in any "suit" against the "insured" we defend.

2. Paragraph **2.b.(4)** of the **Who Is An Insured** provision of the Auto Dealers Coverage Form does not apply.

3. For coverage and limits required by the Kansas Financial Responsibility law, **Exclusions** is changed as follows:

- a. The **Workers' Compensation** Exclusion is replaced by the following:

Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or any similar law.

- b. The **Employee Indemnification And Employers' Liability** Exclusion is replaced by the following:

Employee Indemnification And Employers' Liability

This coverage does not apply to "bodily injury" to any "employee" of the "insured" arising out of and in the course of the "employee's" employment by the "insured" or while performing duties related to the conduct of the "insured's" business if benefits are required or available for the "employee" under any workers' compensation or disability benefits law or under any similar law. This exclusion does not apply to liability assumed by the "insured" under an "insured contract".

- c. The **Fellow Employee** Exclusion is replaced by the following:

Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

- d. The **Care, Custody Or Control** Exclusion is replaced by the following:

Care, Custody Or Control

This coverage does not apply to "property damage" to property owned by, rented to, or in charge of or transported by an "insured". However, this exclusion does not apply to "property damage" to a rented residence or private garage or to liability assumed by the "insured" under a sidetrack agreement.

- e. The following is added to the **War** Exclusion:

This exclusion applies only to the extent that the limit of insurance for this coverage in this policy exceeds the limit required by the Kansas Automobile Injury Reparations Act.

- f. The **Racing** Exclusion does not apply.

- g. The exclusion relating to "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants does not apply if the discharge, dispersal, release or escape is sudden and accidental.

4. Our Limit of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by Kansas law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
- c. \$10,000 for "property damage" caused by any one "accident".

This provision will not change our limit of insurance.

B. Changes In Physical Damage Coverage

1. The "**Diminution In Value**" Exclusion does not apply.
2. The Limits Of Insurance provision with respect to repair or replacement resulting in better than like kind or quality in any coverage form or endorsement does not apply.

C. Changes In Conditions

1. The following is added to the **Loss Payment – Physical Damage Coverages** Condition:

An "auto" shall be deemed a total "loss" when such "auto" is required to be registered in this state and has been directly and accidentally wrecked or damaged to the extent that the total cost of repair is 75% or more of the fair market value, in accordance with KAN. STAT. ANN. § 8-197(b)(2).

2. The **Concealment, Misrepresentation Or Fraud** General Condition is replaced by the following:

Concealment, Misrepresentation Or Fraud

We will not pay under this coverage form if you or any other "insured" in relation to an insurance application, rating, claim or coverage under this policy knowingly and with intent to defraud:

- a. Presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement which such person knows to contain materially false information concerning any material fact; or

- b. Conceals information concerning any material fact for the purpose of misleading.

3. The **Appraisal For Physical Damage Loss** Condition is replaced by the following:

Appraisal For Physical Damage Loss

If, after a claim has been made, a dispute arises because you and we disagree on the amount of the "loss", either party may make a written request for an appraisal of the "loss". **However, an appraisal will be made only if both you and we agree, voluntarily, to have the loss appraised.** If so agreed, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraiser and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

An appraisal decision will be binding.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, California, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The term "spouse" is replaced by the following:
Spouse or registered domestic partner under California law.
- B. The following are added to the **Other Insurance** Condition in the Auto Dealers and Business Auto Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form and supersede any provisions to the contrary:
 - 1. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident", a person described in Paragraph 1.b. is operating an "auto" owned by the business described in Paragraph 1.a., then that person's liability coverage is primary and the Coverage Form issued to a business described in Paragraph 1.a. is excess over any coverage available to that person.
 - 2. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to an "auto" and:
 - a. One provides coverage to a Named Insured engaged in the business of selling, repairing, servicing, delivering, testing or road-testing "autos"; and
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph 3.a., and who is not the agent or "employee" of such Named Insured, is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph 3.a., then the liability coverage provided by the Coverage Form or policy described in Paragraph 3.b. is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph 3.a. is excess over any coverage available to that person.
 - 3. When this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a "commercial vehicle" and:
 - a. One provides coverage to a Named Insured, who in the course of business, rents or leases "commercial vehicles" without operators; and
 - b. The other provides coverage to a person other than as described in Paragraph 3.a.; and
 - c. At the time of an "accident", a person who is not the Named Insured of the policy described in Paragraph 3.a., and who is not the agent or "employee" of such Named Insured, is operating a "commercial vehicle" provided by the business covered by the Coverage Form or policy described in Paragraph 3.a., then the liability coverage provided by the Coverage Form or policy described in Paragraph 3.b. is primary, and the liability coverage provided by the Coverage Form or policy described in Paragraph 3.a. is excess over any coverage available to that person.

4. Notwithstanding Paragraph **B.3.**, when this Coverage Form and any other Coverage Form or policy providing liability coverage apply to a power unit and any connected "trailer" or "trailers" and:

- a.** One provides coverage to a Named Insured engaged in the business of transporting property by "auto" for hire; and
- b.** The other provides coverage to a Named Insured not engaged in that business; and
- c.** At the time of an "accident", a power unit is being operated by a person insured under the Coverage Form or policy described in Paragraph **4.a.**, then that Coverage Form or policy is primary for both the power unit and any connected "trailer" or "trailers" and the Coverage Form or policy described in Paragraph **4.b.** is excess over any other coverage available to such power unit and attached "trailer" or "trailers".

C. As used in this endorsement:

"Commercial vehicle" means an "auto" subject to registration or identification under California law which is:

- 1.** Used or maintained for the transportation of persons for hire, compensation or profit;
- 2.** Designed, used or maintained primarily for the transportation of property; or
- 3.** Leased for a period of six months or more.

POLICY NUMBER: CPO 5912284-03

COMMERCIAL AUTO
CA 21 54 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****CALIFORNIA UNINSURED MOTORISTS COVERAGE –
BODILY INJURY**

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, California, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. We will pay only after the limits of liability under any liability bonds or policies have been exhausted by payment of judgments or settlements.
3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".
 - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
 - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to any of the following:

1. Punitive or exemplary damages.
2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph b. of the definition of "uninsured motor vehicle".
3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law or to the direct benefit of the United States, a state or its political subdivisions.
4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.

However, Exclusion 4. shall not apply to "bodily injury" sustained by an individual Named Insured or "family member" when struck by a vehicle owned by that "insured" and operated or caused to be operated by a person without that "insured's" consent in connection with criminal activity that has been documented in a police report and to which that "insured" is not a party to.

5. "Bodily injury" sustained by an individual Named Insured or any "family member" while "occupying" any vehicle leased by that Named Insured or any "family member" under a written contract for a period of six months or more that is not a covered "auto".
6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
7. "Bodily injury" sustained by an "insured" while "occupying" any "auto" that is rented or leased to that "insured" for use as a public or livery conveyance. However, this exclusion does not apply if the "insured" is in the business of providing public or livery conveyance.
8. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit Of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.
2. For a vehicle described in Paragraph b. of the definition of "uninsured motor vehicle", our Limit of Insurance shall be reduced by all sums paid because of "bodily injury" by or for anyone who is legally responsible, including all sums paid or payable under this policy's Covered Autos Liability Coverage.
3. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for California Uninsured Motorists Coverage – Bodily Injury as follows:

1. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Send us copies of the legal papers if a "suit" is brought. In addition, a person seeking coverage under Paragraph **b.** of the definition of "uninsured motor vehicle" must:
 - (1) Provide us with a copy of the complaint by personal service or certified mail if the "insured" brings an action against the owner or operator of such "uninsured motor vehicle";
 - (2) Within a reasonable time, make all pleadings and depositions available for copying by us or furnish us copies at our expense; and
 - (3) Provide us with proof that the limits of insurance under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements.

2. Legal Action Against Us is replaced by the following:

Legal Action Against Us

No legal action may be brought against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form and with respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle" unless within two years from the date of the "accident":

- a. Agreement as to the amount due under this insurance has been concluded;
- b. The "insured" has formally instituted arbitration proceedings against us. In the event that the "insured" decides to arbitrate, the "insured" must formally begin arbitration proceedings by notifying us in writing, sent by certified mail, return receipt requested; or

- c. "Suit" for "bodily injury" has been filed against the uninsured motorist in a court of competent jurisdiction.

Written notice of the "suit" must be given to us within a reasonable time after the "insured" knew, or should have known, that the other motorist is uninsured. In no event will such notice be required before two years from the date of the accident. Failure of the "insured" or his or her representative to give us such notice of the "suit" will relieve us of our obligations under this Coverage Form only if the failure to give notice prejudices our rights.

3. Transfer Of Rights Of Recovery Against Others To Us is replaced by the following:

Transfer Of Rights Of Recovery Against Others To Us

- a. With respect to Paragraphs **a.**, **c.** and **d.** of the definition of "uninsured motor vehicle", if we make any payment, we are entitled to recover what we paid from other parties. Any person to or for whom we make payment must transfer to us his or her rights of recovery against any other party. This person must do everything necessary to secure these rights and must do nothing that would jeopardize them.
- b. With respect to Paragraph **b.** of the definition of "uninsured motor vehicle", if we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

4. Other Insurance in the Auto Dealers and Business Auto Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

c. If the coverage under this Coverage Form is provided:

- (1) On a primary basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the "loss" that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

5. The following condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", the disagreement will be settled by arbitration. Such arbitration may be initiated by a written demand for arbitration made by either party. The arbitration shall be conducted by a single neutral arbitrator. However, disputes concerning coverage under this endorsement may not be arbitrated. Each party will bear the expenses of the arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedures and evidence will apply. The decision of the arbitrator will be binding.

F. Additional Definitions

The following are added to the **Definitions** section:

1. "Family member" means the individual Named Insured's spouse, whether or not a resident of the individual Named Insured's household, and any other person related to such Named Insured by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.

3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":

- a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;
- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is less than the Limit of Insurance for this coverage;
- c. For which an insuring or bonding company denies coverage or refuses to admit coverage except conditionally or with reservation or becomes insolvent;
- d. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must make physical contact with an "insured", a covered "auto" or a vehicle an "insured" is "occupying"; or
- e. That is owned by an individual Named Insured or "family member" and operated or caused to be operated by a person without the owner's consent in connection with criminal activity that has been documented in a police report.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by the United States of America, Canada, a state or political subdivision of any of those governments or an agency of any of the foregoing; or
- c. Designed or modified for use primarily off public roads while not on public roads.

POLICY NUMBER: CPO 5912284-03

COMMERCIAL AUTO
CA 21 72 10 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****FLORIDA UNINSURED MOTORISTS
COVERAGE – NONSTACKED**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Florida, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$ 1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if Paragraph **a.** or **b.** below applies:
 - a.** The limit of any applicable liability bonds or policies has been exhausted by payment of judgments or settlements; or

- b.** A tentative settlement has been made between an "insured" and the insurer of the "underinsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a.** The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

C. Exclusions

This insurance does not apply to:

- 1. Any claim settled or judgment reached without our consent, unless our right to recover payment has not been prejudiced by such settlement or judgment. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph b. of the definition of an "uninsured motor vehicle".
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 4. "Bodily injury" sustained by:
 - a. An individual Named Insured while "occupying" or when struck by a vehicle owned by that individual Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this coverage form;
 - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other coverage form or policy; or

- d. Any "insured" with respect to damages for pain, suffering, mental anguish or inconvenience unless the "bodily injury" consists in whole or in part of:

- (1) Significant and permanent loss of an important bodily function;
- (2) Permanent injury within a reasonable degree of medical probability, other than scarring or disfigurement;
- (3) Significant and permanent scarring or disfigurement; or
- (4) Death.

- 5. Punitive or exemplary damages.

- 6. "Bodily injury" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Schedule or Declarations.
- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Liability Coverage form, No-fault Coverage endorsement, Medical Payments Coverage endorsement, or Uninsured Motorists Coverage endorsement attached to this Coverage Part.
- 3. We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.
- 4. We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage Nonstacked as follows:

1. Other Insurance in the Business Auto and Garage Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

- a. If there is other applicable insurance available under one or more coverage forms, policies or provisions of coverage, any recovery for damages sustained by an individual Named Insured or any “family member”:

(1) While “occupying” a vehicle owned by that Named Insured or any “family member” may equal, but not exceed, the limit of insurance for Uninsured Motorists Coverage applicable to that vehicle.

(2) While “occupying” a vehicle not owned by that Named Insured or any “family member” may equal, but not exceed, the sum of:

(a) The limit of insurance for Uninsured Motorists Coverage applicable to the vehicle such Named Insured or any “family member” was “occupying” at the time of the “accident”; and

(b) The highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to such Named Insured or any “family member”.

(3) While not “occupying” any vehicle may equal, but not exceed, the highest limit of insurance for Uninsured Motorists Coverage applicable to any one vehicle under any one policy affording coverage to an individual Named Insured or any “family member”.

- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any collectible uninsured motorists insurance providing coverage on a primary basis.

- c. If the coverage under this coverage form is provided:

(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss is changed by adding the following:

a. Promptly notify the police if a hit-and-run driver is involved; and

b. Promptly send us copies of the legal papers if a “suit” is brought.

c. A person seeking Uninsured Motorists Coverage must also promptly notify us in writing by certified or registered mail of a tentative settlement between the “insured” and the insurer of the vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle” and allow us 30 days to advance payment to that “insured” in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”.

3. Transfer Of Rights Of Recovery Against Others To Us is changed by adding the following:

If we make any payment and the “insured” recovers from another party, the “insured” shall hold the proceeds in trust for us and pay us back the amount we have paid.

Our rights do not apply under this provision with respect to Uninsured Motorists Coverage if we:

a. Have been given prompt written notice of a tentative settlement between an “insured” and the insurer of a vehicle described in Paragraph **b.** of the definition of an “uninsured motor vehicle”; and

b. Fail to advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the “insured” in an amount equal to the tentative settlement within 30 days after receipt of notification:

a. That payment will be separate from any amount the “insured” is entitled to recover under the provisions of Uninsured Motorists Coverage; and

b. We also have a right to recover the advanced payment.

4. The following condition is added:

a. Arbitration

- (1) If we and an "insured" do not agree:
 - (a) Whether that person is legally entitled to recover damages under this endorsement; or
 - (b) As to the amount of damages that are recoverable by that person;

Then the matter may be mediated, in accordance with the Mediation Provision contained in General Conditions, if the damages resulting from "bodily injury" are for \$10,000 or less, or arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- (2) Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- (3) Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

b. Florida Arbitration Act

If we and an "insured" agree to arbitration, the **Florida Arbitration Act** will not apply.

c. Mediation

- (1) In any claim filed by an "insured" with us for:
 - (a) "Bodily injury" in an amount of \$10,000 or less, arising out of the ownership, operation, use or maintenance of a covered "auto";
 - (b) "Property damage" in any amount, arising out of the ownership, operation, maintenance or use of a covered "auto"; or
 - (c) "Loss" to a covered "auto" or its equipment, in any amount;

either party may make a written demand for mediation of the claim prior to the institution of litigation.

- (2) A written request for mediation must be filed with the Florida Department of Financial Services on an approved form, which may be obtained from the Florida Department of Financial Services.
- (3) The request must state:
 - (a) Why mediation is being requested.
 - (b) The issues in dispute, which are to be mediated.
- (4) The Florida Department of Financial Services will randomly select mediators. Each party may reject one mediator, either before or after the opposing side has rejected a mediator. The mediator will notify the parties of the date, time and place of the mediation conference. The mediation conference will be held within 45 days of the request for mediation. The conference will be held by telephone, if feasible. Participants in the mediation conference must have the authority to make a binding decision, and must mediate in good faith. Each party will bear the expenses of the mediation equally, unless the mediator determines that one party has not mediated in good faith.
- (5) Only one mediation may be requested for each claim unless all parties agree to further mediation. A party demanding mediation shall not be entitled to demand or request mediation after a suit is filed relating to the same facts already mediated.
- (6) The mediation shall be conducted as an informal process and formal rules of evidence and procedures need not be observed.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
 - a. For which no liability bond or policy applies at the time of an "accident";

- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which a "bodily injury" liability bond or policy applies at the time of an "accident" but the amount paid under that bond or policy to an "insured" is not enough to pay the full amount the "insured" is legally entitled to recover as damages caused by the "accident";
- c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- d. For which neither the driver nor owner can be identified. The land motor vehicle or "trailer" must:
 - (1) Hit an individual Named Insured or any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying"; or
 - (2) Cause an "accident" resulting in "bodily injury" to an individual Named Insured or any "family member" without hitting that Named Insured, any "family member", a covered "auto" or a vehicle such Named Insured or any "family member" is "occupying".

If there is no physical contact with the land motor vehicle or "trailer", the facts of the "accident" must be proved. We will only accept competent evidence other than the testimony of a person making claims under this or any similar coverage.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned by a governmental unit or agency;
- b. Designed for use mainly off public roads while not on public roads; or
- c. Owned by or furnished or available for the regular use of the Named Insured, or if the Named Insured is an individual, any "family member" unless it is a covered "auto" to which the coverage form's Liability Coverage applies and liability coverage is excluded for any person or organization other than the Named Insured, or if the Named Insured is an individual, any "family member".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CALIFORNIA AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage form, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for Auto Medical Payments Coverage as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.
2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, adoption, marriage or registered domestic partnership under California law, who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.



Coverage Extension Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Form
Motor Carrier Coverage Form

A. Amended Who Is An Insured

- The following is added to the **Who Is An Insured** Provision in **Section II – Covered Autos Liability Coverage**:

The following are also "insureds":

- Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow for acts performed within the scope of employment by you. Any "employee" of yours is also an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.
- Anyone volunteering services to you is an "insured" while using a covered "auto" you don't own, hire or borrow to transport your clients or other persons in activities necessary to your business.
- Anyone else who furnishes an "auto" referenced in Paragraphs **A.1.a.** and **A.1.b.** in this endorsement.
- Where and to the extent permitted by law, any person(s) or organization(s) where required by written contract or written agreement with you executed prior to any "accident", including those person(s) or organization(s) directing your work pursuant to such written contract or written agreement with you, provided the "accident" arises out of operations governed by such contract or agreement and only up to the limits required in the written contract or written agreement, or the Limits of Insurance shown in the Declarations, whichever is less.

- The following is added to the **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance – Primary and Excess Insurance Provisions Condition** in the Motor Carrier Coverage Form:

Coverage for any person(s) or organization(s), where required by written contract or written agreement with you executed prior to any "accident", will apply on a primary and non-contributory basis and any insurance maintained by the additional "insured" will apply on an excess basis. However, in no event will this coverage extend beyond the terms and conditions of the Coverage Form.

B. Amendment – Supplementary Payments

Paragraphs **a.(2)** and **a.(4)** of the **Coverage Extensions** Provision in **Section II – Covered Autos Liability Coverage** are replaced by the following:

- Up to \$5,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

C. Fellow Employee Coverage

The **Fellow Employee** Exclusion contained in **Section II – Covered Autos Liability Coverage** does not apply.

D. Driver Safety Program Liability and Physical Damage Coverage

1. The following is added to the **Racing** Exclusion in **Section II – Covered Autos Liability Coverage**:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

2. The following is added to Paragraph **2.** in the **Exclusions** of **Section III – Physical Damage Coverage** of the Business Auto Coverage Form and Paragraph **2.b.** in the **Exclusions** of **Section IV – Physical Damage Coverage** of the Motor Carrier Coverage Form:

This exclusion does not apply to covered "autos" participating in a driver safety program event, such as, but not limited to, auto or truck rodeos and other auto or truck agility demonstrations.

E. Lease or Loan Gap Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Lease Or Loan Gap Coverage

In the event of a total "loss" to a covered "auto", we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

- a. Any amount paid under the **Physical Damage Coverage** Section of the Coverage Form; and
- b. Any:
 - (1) Overdue lease or loan payments at the time of the "loss";
 - (2) Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
 - (3) Security deposits not returned by the lessor;
 - (4) Costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and
 - (5) Carry-over balances from previous leases or loans.

F. Towing and Labor

Paragraph **A.2.** of the **Physical Damage Coverage** Section is replaced by the following:

We will pay up to \$75 for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

G. Extended Glass Coverage

The following is added to Paragraph **A.3.a.** of the **Physical Damage Coverage** Section:

If glass must be replaced, the deductible shown in the Declarations will apply. However, if glass can be repaired and is actually repaired rather than replaced, the deductible will be waived. You have the option of having the glass repaired rather than replaced.

H. Hired Auto Physical Damage – Increased Loss of Use Expenses

The **Coverage Extension** for **Loss Of Use Expenses** in the **Physical Damage Coverage** Section is replaced by the following:

Loss Of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or written rental agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
 - (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
 - (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".
- However, the most we will pay for any expenses for loss of use is \$100 per day, to a maximum of \$3000.

I. Personal Effects Coverage

The following is added to the **Coverage** Provision of the **Physical Damage Coverage** Section:

Personal Effects Coverage

- a. We will pay up to \$750 for "loss" to personal effects which are:
 - (1) Personal property owned by an "insured"; and
 - (2) In or on a covered "auto".
- b. Subject to Paragraph a. above, the amount to be paid for "loss" to personal effects will be based on the lesser of:
 - (1) The reasonable cost to replace; or
 - (2) The actual cash value.
- c. The coverage provided in Paragraphs a. and b. above, only applies in the event of a total theft of a covered "auto". No deductible applies to this coverage. However, we will not pay for "loss" to personal effects of any of the following:
 - (1) Accounts, bills, currency, deeds, evidence of debt, money, notes, securities, or commercial paper or other documents of value.
 - (2) Bullion, gold, silver, platinum, or other precious alloys or metals; furs or fur garments; jewelry, watches, precious or semi-precious stones.
 - (3) Paintings, statuary and other works of art.
 - (4) Contraband or property in the course of illegal transportation or trade.
 - (5) Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment.

Any coverage provided by this Provision is excess over any other insurance coverage available for the same "loss".

J. Tapes, Records and Discs Coverage

- 1. The Exclusion in Paragraph B.4.a. of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph B.2.c. of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply.
- 2. The following is added to Paragraph 1.a. **Comprehensive Coverage** under the **Coverage** Provision of the **Physical Damage Coverage** Section:

We will pay for "loss" to tapes, records, discs or other similar devices used with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices:

 - (a) Are the property of an "insured"; and
 - (b) Are in a covered "auto" at the time of "loss".

The most we will pay for such "loss" to tapes, records, discs or other similar devices is \$500. The **Physical Damage Coverage Deductible** Provision does not apply to such "loss".

K. Airbag Coverage

The Exclusion in Paragraph **B.3.a.** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form and the Exclusion in Paragraph **B.4.a.** of **Section IV – Physical Damage Coverage** in the Motor Carrier Coverage Form does not apply to the accidental discharge of an airbag.

L. Two or More Deductibles

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

If an accident is covered both by this policy or Coverage Form and by another policy or Coverage Form issued to you by us, the following applies for each covered "auto" on a per vehicle basis:

1. If the deductible on this policy or Coverage Form is the smaller (or smallest) deductible, it will be waived; or
2. If the deductible on this policy or Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

M. Physical Damage – Comprehensive Coverage – Deductible

The following is added to the **Deductible** Provision of the **Physical Damage Coverage** Section:

Regardless of the number of covered "autos" damaged or stolen, the maximum deductible that will be applied to Comprehensive Coverage for all "loss" from any one cause is \$5,000 or the deductible shown in the Declarations, whichever is greater.

N. Temporary Substitute Autos – Physical Damage

1. The following is added to **Section I – Covered Autos**:

Temporary Substitute Autos – Physical Damage

If Physical Damage Coverage is provided by this Coverage Form on your owned covered "autos", the following types of vehicles are also covered "autos" for Physical Damage Coverage:

Any "auto" you do not own when used with the permission of its owner as a temporary substitute for a covered "auto" you do own but is out of service because of its:

1. Breakdown;
 2. Repair;
 3. Servicing;
 4. "Loss"; or
 5. Destruction.
2. The following is added to the Paragraph **A. Coverage** Provision of the **Physical Damage Coverage** Section:

Temporary Substitute Autos – Physical Damage

We will pay the owner for "loss" to the temporary substitute "auto" unless the "loss" results from fraudulent acts or omissions on your part. If we make any payment to the owner, we will obtain the owner's rights against any other party.

The deductible for the temporary substitute "auto" will be the same as the deductible for the covered "auto" it replaces.

O. Amended Duties In The Event Of Accident, Claim, Suit Or Loss

Paragraph **a.** of the **Duties In The Event Of Accident, Claim, Suit Or Loss** Condition is replaced by the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident", claim, "suit" or "loss". However, these duties only apply when the "accident", claim, "suit" or "loss" is known to you (if you are an individual), a partner (if you are a partnership), a member (if you are a limited liability company) or an executive officer or insurance manager (if you are a corporation). The failure of any

agent, servant or employee of the "insured" to notify us of any "accident", claim, "suit" or "loss" shall not invalidate the insurance afforded by this policy.

Include, as soon as practicable:

- (1) How, when and where the "accident" or "loss" occurred and if a claim is made or "suit" is brought, written notice of the claim or "suit" including, but not limited to, the date and details of such claim or "suit";
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

If you report an "accident", claim, "suit" or "loss" to another insurer when you should have reported to us, your failure to report to us will not be seen as a violation of these amended duties provided you give us notice as soon as practicable after the fact of the delay becomes known to you.

P. Waiver of Transfer Of Rights Of Recovery Against Others To Us

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

This Condition does not apply to the extent required of you by a written contract, executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by such contract. This waiver only applies to the person or organization designated in the contract.

Q. Employee Hired Autos – Physical Damage

Paragraph **b.** of the **Other Insurance** Condition in the Business Auto Coverage Form and Paragraph **f.** of the **Other Insurance – Primary and Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented under a written contract or written agreement entered into by an "employee" or elected or appointed official with your permission while being operated within the course and scope of that "employee's" employment by you or that elected or appointed official's duties as respect their obligations to you.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

R. Unintentional Failure to Disclose Hazards

The following is added to the **Concealment, Misrepresentation Or Fraud** Condition:

However, we will not deny coverage under this Coverage Form if you unintentionally:

- (1) Fail to disclose any hazards existing at the inception date of this Coverage Form; or
- (2) Make an error, omission, improper description of "autos" or other misstatement of information.

You must notify us as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to the acceptance of this policy.

S. Hired Auto – World Wide Coverage

Paragraph **7a.(5)** of the **Policy Period, Coverage Territory** Condition is replaced by the following:

- (5) Anywhere in the world if a covered "auto" is leased, hired, rented or borrowed for a period of 60 days or less,

T. Bodily Injury Redefined

The definition of "bodily injury" in the **Definitions** Section is replaced by the following:

"Bodily injury" means bodily injury, sickness or disease, sustained by a person including death or mental anguish, resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.

U. Expected Or Intended Injury

The **Expected Or Intended Injury** Exclusion in Paragraph **B. Exclusions** under **Section II – Covered Auto Liability Coverage** is replaced by the following:

Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured". This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

V. Physical Damage – Additional Temporary Transportation Expense Coverage

Paragraph **A.4.a.** of **Section III – Physical Damage Coverage** is replaced by the following:

4. Coverage Extensions

a. Transportation Expenses

We will pay up to \$50 per day to a maximum of \$1,000 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

W. Replacement of a Private Passenger Auto with a Hybrid or Alternative Fuel Source Auto

The following is added to Paragraph **A. Coverage** of the **Physical Damage Coverage** Section:

In the event of a total "loss" to a covered "auto" of the private passenger type that is replaced with a hybrid "auto" or "auto" powered by an alternative fuel source of the private passenger type, we will pay an additional 10% of the cost of the replacement "auto", excluding tax, title, license, other fees and any aftermarket vehicle upgrades, up to a maximum of \$2500. The covered "auto" must be replaced by a hybrid "auto" or an "auto" powered by an alternative fuel source within 60 calendar days of the payment of the "loss" and evidenced by a bill of sale or new vehicle lease agreement.

To qualify as a hybrid "auto", the "auto" must be powered by a conventional gasoline engine and another source of propulsion power. The other source of propulsion power must be electric, hydrogen, propane, solar or natural gas, either compressed or liquefied. To qualify as an "auto" powered by an alternative fuel source, the "auto" must be powered by a source of propulsion power other than a conventional gasoline engine. An "auto" solely propelled by biofuel, gasoline or diesel fuel or any blend thereof is not an "auto" powered by an alternative fuel source.

X. Return of Stolen Automobile

The following is added to the **Coverage Extension** Provision of the **Physical Damage Coverage** Section:

If a covered "auto" is stolen and recovered, we will pay the cost of transport to return the "auto" to you. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage.

All other terms, conditions, provisions and exclusions of this policy remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO MEDICAL PAYMENTS COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.

3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance – Primary And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: CPO 5912284-03

COMMERCIAL AUTO
CA 20 48 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED FOR
COVERED AUTOS LIABILITY COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Name Of Person(s) Or Organization(s):**COUNTY OF SANTA CLARA
COUNTY OF SANTA CLARA, AND MEMBERS OF
THE BOARD OF SUPERVISORS OF THE COUNTY
OF SANTA CLARA, AND THE OFFICERS, AGENTS
AND EMPLOYEES OF THE COUNTY OF SANTA
C/O EBIX BPO
P.O. BOX 257, REF. #84-1018374
PORTLAND, MI USA 48875-0257

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

California Auto Body Repair Consumer Bill of Rights

A CONSUMER IS ENTITLED TO:

1. **SELECT THE AUTO BODY REPAIR SHOP TO REPAIR AUTO BODY DAMAGE COVERED BY THE INSURANCE COMPANY. AN INSURANCE COMPANY MAY NOT REQUIRE THE REPAIRS TO BE DONE AT A SPECIFIC AUTO BODY REPAIR SHOP.**
2. **AN ITEMIZED WRITTEN ESTIMATE FOR AUTO BODY REPAIRS AND, UPON COMPLETION OF REPAIRS, A DETAILED INVOICE. THE ESTIMATE AND THE INVOICE MUST INCLUDE AN ITEMIZED LIST OF PARTS AND LABOR ALONG WITH THE TOTAL PRICE FOR THE WORK PERFORMED. THE ESTIMATE AND INVOICE MUST ALSO IDENTIFY ALL PARTS AS NEW, USED, AFTERMARKET, RECONDITIONED, OR REBUILT.**
3. **BE INFORMED ABOUT COVERAGE FOR TOWING SERVICES. UNLESS THE INSURANCE COMPANY HAS PROVIDED AN INSURED WITH THE NAME OF A SPECIFIC TOWING COMPANY PRIOR TO THE INSURED'S USE OF ANOTHER TOWING COMPANY, THE INSURANCE COMPANY MUST PAY ALL REASONABLE TOWING CHARGES OF THE TOWING COMPANY USED BY THE INSURED.**
4. **BE INFORMED ABOUT THE EXTENT OF COVERAGE, IF ANY, FOR A REPLACEMENT RENTAL VEHICLE WHILE A DAMAGED VEHICLE IS BEING REPAIRED.**
5. **BE INFORMED OF WHERE TO REPORT SUSPECTED FRAUD OR OTHER COMPLAINTS AND CONCERNS ABOUT AUTO BODY REPAIRS.**

COMPLAINTS WITHIN THE JURISDICTION OF THE BUREAU OF AUTOMOTIVE REPAIR

Complaints concerning the repair of a vehicle by an auto body repair shop should be directed to:

**Toll Free (800) 952-5210
California Department of Consumer Affairs
Bureau of Automotive Repair
10240 Systems Parkway
Sacramento, CA 95827**

The Bureau of Automotive Repair can also accept complaints over its web site at: www.autorepair.ca.gov

COMPLAINTS WITHIN THE JURISDICTION OF THE CALIFORNIA INSURANCE COMMISSIONER

Any concerns regarding how an auto insurance claim is being handled should be submitted to the California Department of Insurance at:

**(800) 927-HELP or (213) 897-8921
California Department of Insurance
Consumer Services Division
300 South Spring Street
Los Angeles, CA 90013**

The California Department of Insurance can also accept complaints over its web site at: www.insurance.ca.gov

2013 Commercial Auto Multistate Forms Revision Advisory Notice To Policyholders



This is a summary of the major changes to your policy. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy or endorsements. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this summary, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Highlighted below are areas within the Policy that broaden, reduce or reinforce coverage. This notice does not reference every change, including editorial changes, made in your policy.

COVERAGE FORMS

REINFORCEMENTS OF COVERAGE

Revision To "Liability Coverage" Form References

CA 00 01 – Business Auto Coverage Form

CA 00 20 – Motor Carrier Coverage Form

References to "Liability Coverage" that pertain to auto liability in the Business Auto Coverage Form and Motor Carrier Coverage Form are replaced with "Covered Autos Liability Coverage" to distinguish such coverage from the other types of liability coverages that may be included in your policy.

Revisions To Physical Damage Coverage

CA 00 01 – Business Auto Coverage Form

CA 00 05 – Motor Carrier Coverage Form

The Limits Of Insurance provision under Physical Damage Coverage is reinforced to reflect that "loss" rather than "accident" triggers coverage under this section.

MULTISTATE ENDORSEMENTS

BROADENINGS OF COVERAGE

NEW OPTIONAL ENDORSEMENTS

CA 23 30 – Motor Carrier Endorsement

In general, this endorsement may be used to convert the Business Auto Coverage Form into a Motor Carrier Coverage Form for autos used in your operations as a motor carrier.

EXISTING OPTIONAL ENDORSEMENTS

CA 20 54 – Employee Hired Autos

This endorsement is revised to reinforce that any employee of yours is an insured while operating a rental or hired vehicle taken out in another employee's name for the purposes of performing duties related to the conduct of your business and with your permission.

CA 99 16 – Hired Autos Specified As Covered Auto You Own

This endorsement has been revised to remove the wording which limits coverage with respect to the lessor solely to liability arising out of the acts or omissions of the lessee or anyone else acting on the lessee's behalf.

CA 99 37 – Garagekeepers Coverage

Spouses of partners, managers of limited liability companies and executive officers are included as insureds with respect to the conduct of your garage operations.

UCA 424 – Coverage Extension Endorsement

This endorsement has been revised to:

- A.** Reinforce that an employee of yours is an insured under Covered Autos Liability Coverage while operating an “auto” hired or rented under a contract or agreement in that employee’s name, with your permission, while performing duties related to the conduct of your business;
- B.** Extend Insured status under Covered Autos Liability Coverage to any person(s) or organization(s) where required by written contract or written agreement including those person(s) or organization(s) directing your work. Such coverage will apply on a primary and non-contributory basis with any insurance maintained by the additional “insured” on an excess basis;
- C.** Reinforce that the Expected Or Intended Injury Exclusion under the Covered Autos Liability Coverage does not apply if the bodily injury or property damage results from reasonable force to protect persons or property;
- D.** Include payment of up to \$50 per day, to a maximum of \$1000, for temporary transportation expense incurred by you in the event of a total theft of a covered “auto” of the private passenger type when Comprehensive or Specified Cause of Loss Coverage is selected;
- E.** Revises the Physical Damage Coverage to provide for payment of an additional 10% of the cost of a replacement auto, up to \$2500, if, in the event of a total loss to a covered auto of the private passenger type, the covered auto is replaced with a hybrid auto or an auto powered by an alternative fuel source. Qualifications for consideration as a hybrid auto or auto powered by an alternative fuel source are described within the endorsement; and
- F.** Include payment for the cost of transport to return a stolen auto that has been recovered to you, provided you carry either Comprehensive or Specified Causes of Loss Coverage on the auto.

REINFORCEMENTS OF COVERAGE

EXISTING OPTIONAL ENDORSEMENTS

CA 01 21 – Limited Mexico Coverage

CA 02 38 – Reinstatement Of Insurance

CA 02 40 – Suspension Of Insurance

CA 03 01 – Deductible Liability Coverage

CA 03 02 – Deductible Liability Coverage

CA 04 42 – Exclusion Of Federal Employees Using Autos In Government Business

CA 04 44 – Waiver Of Transfer Of Rights Of Recovery Against Others To Us (Waiver Of Subrogation)

CA 04 45 – Golf Carts And Low-speed Vehicles

CA 20 01 – Lessor – Additional Insured And Loss Payee

CA 20 02 – Audio, Visual And Data Electronic Equipment Coverage – Fire, Police And Emergency Vehicles

CA 20 05 – Drive-away Contractors

CA 20 06 – Driving Schools – Non-owned Autos

CA 20 07 – Emergency Services – Volunteer Firefighters' And Workers' Injuries Limited Exclusion

CA 20 08 – Farm Tractors And Farm Tractors Equipment

CA 20 09 – Leasing Or Rental Concerns – Contingent Coverage

CA 20 10 – Leasing Or Rental Concerns – Conversion, Embezzlement Or Secretion Coverage

CA 20 11 – Leasing Or Rental Concerns – Exclusion Of Certain Leased Autos
CA 20 12 – Leasing Or Rental Concerns – Rent-it-there/Leave-it-here Autos
CA 20 13 – Leasing Or Rental Concerns – Schedule Of Limits For Owned Autos
CA 20 14 – Leasing Or Rental Concerns – Second Level Coverage
CA 20 15 – Mobile Equipment
CA 20 16 – Mobile Homes Contents Coverage
CA 20 17 – Mobile Homes Contents Not Covered
CA 20 18 – Professional Services Not Covered
CA 20 19 – Repossessed Autos
CA 20 21 – Snowmobiles
CA 20 27 – Registration Plates Not Issued For A Specific Auto
CA 20 30 – Emergency Services – Volunteer Firefighters' And Workers' Injuries Excluded
CA 20 33 – Autos Leased, Hired, Rented Or Borrowed With Drivers – Physical Damage Coverage
CA 20 48 – Designated Insured (Newly titled Designated Insured For Covered Autos Liability Coverage)
CA 20 54 – Employee Hired Autos
CA 20 55 – Fellow Employee Coverage
CA 20 56 – Fellow Employee Coverage For Designated Employees/Positions
CA 20 70 – Coverage For Certain Operations In Connection With Railroads
CA 20 71 – Auto Loan/Lease Gap Coverage
CA 23 01 – Explosives
CA 23 03 – Multi-purpose Equipment
CA 23 04 – Rolling Stores
CA 23 05 – Wrong Delivery Of Liquid Products
CA 23 08 – Truckers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos (Newly titled Motor Carriers – Excess Coverage For The Named Insured And Named Lessors For Leased Autos)
CA 23 09 – Truckers – Insurance For Non-trucking Use (Newly titled Motor Carriers – Insurance For Non-trucking Use)
CA 23 12 – Truckers – Named Lessee As Insured (Newly titled Motor Carriers – Named Lessee As Insured)
CA 23 13 – Trailer Interchange Fire And Fire And Theft Coverages
CA 23 17 – Truckers – Uniform Intermodal Interchange Endorsement Form UIIE-1
CA 23 24 – Agricultural Produce Trailers – Seasonal
CA 23 25 – Coverage For Injury To Leased Workers
CA 23 94 – Silica Or Silica-related Dust Exclusion For Covered Autos Exposure
CA 23 97 – Amphibious Vehicles
CA 24 01 – Transportation Of Seasonal Or Migrant Agricultural Workers
CA 24 02 – Public Transportation Autos
CA 99 03 – Auto Medical Payments Coverage
CA 99 10 – Drive Other Car Coverage – Broadened Coverage For Named Individuals
CA 99 13 – Fiduciary Liability Of Banks
CA 99 14 – Fire, Fire And Theft, Fire, Theft And Windstorm And Limited Specified Causes Of Loss Coverages
CA 99 16 – Hired Autos Specified As Covered Autos You Own
CA 99 17 – Individual Named Insured
CA 99 23 – Rental Reimbursement Coverage

CA 99 28 – Stated Amount Insurance

CA 99 30 – Tapes, Records And Discs Coverage

CA 99 33 – Employees As Insureds

CA 99 34 – Social Service Agencies – Volunteers As Insureds

CA 99 37 – Garagekeepers Coverage

CA 99 40 – Exclusion Or Excess Coverage Hazards Otherwise Insured

CA 99 44 – Loss Payable Clause

CA 99 47 – Employee As Lessor

CA 99 48 – Pollution Liability – Broadened Coverage For Covered Autos – Business Auto, Motor Carrier And Truckers Coverage Forms (Newly titled Pollution Liability – Broadened Coverage For Covered Autos – Business Auto And Motor Carrier Coverage Forms)

CA 99 54 – Covered Auto Designation Symbol

CA 99 59 – Garagekeepers Coverage – Customers' Sound-receiving Equipment

CA 99 60 – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 61 – Loss Payable Clause – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 90 – Optional Limits – Loss Of Use Expenses

These forms have been revised, where appropriate, to:

- A.** Add reference to "Auto Dealer Coverage Form" and delete references to the "Business Auto Physical Damage Coverage Form", "Garage Coverage Form" and/or "Truckers Coverage Form" in the list of the coverage forms to which the endorsement modifies; and/or
- B.** Replace references to "Liability Coverage" with respect to auto liability with "Covered Autos Liability Coverage" to distinguish such coverage from the other types of liability coverages included in your policy.

CA 23 97 – Amphibious Vehicles

This endorsement, in general, is revised to reinforce that insurance is not applicable to amphibious vehicles while being launched into, used in or beached from the water. This includes, but is not limited to, coverages such as liability and physical damage coverages.

CA 23 98 – Trailer Interchange Coverage

The Supplementary Payments provision is revised to reinforce that it applies to **court** costs taxed against the insured that do not include the attorneys' fees or expenses taxed against the insured.

A definition of the term "trailer" is added to reinforce that such term includes a semitrailer, container or a dolly used to convert a semitrailer into a trailer.

CA 99 28 – Stated Amount Insurance

CA 99 60 – Audio, Visual And Data Electronic Equipment Coverage Added Limits

CA 99 61 – Loss Payable Clause – Audio, Visual And Data Electronic Equipment Coverage Added Limits

Various provisions and schedules applicable to physical damage coverage have been reinforced to reflect that "loss" rather than "accident" triggers coverage under this section.

REDUCTION IN COVERAGE

UCA 424 – Coverage Extension Endorsement

The Extended Glass Coverage under this endorsement has been revised to require the deductible, which is shown in the Declarations, if glass must be replaced rather than repaired. However, if glass can be repaired, the waiver of the deductible remains.

EXHIBIT E



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement



NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site - <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.



Commercial Umbrella Liability Policy

Zurich North America

Insurance is provided by the company designated on the Declarations of this policy.

Commercial Umbrella Liability Policy

Declarations



Insurance is provided by the company below:

American Guarantee & Liability Insurance Company

Policy Number: UMB 5912288 00

Renewal of: New Business

1. Named Insured

Producer:

OMNICELL INC

MARSH RISK & INSURANCE SERVICES

2. Mailing Address:

**1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337**

**1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508**

Email Address:

3. Policy Period:

From: 09/01/2012 To: 09/01/2013

At 12:01 A.M. Standard Time at the address of the Named Insured.

4. Limits of Insurance:

A. \$25,000,000 Occurrence

B. \$25,000,000 Other Aggregate

C. \$25,000,000 Products/Completed Operations Aggregate

D. \$250,000 Casualty Business Crisis Aggregate Limit

5. Retained Limit:

\$0 Occurrence

6. Policy Premium:

Advance Premium

\$36,600

Policy Minimum Earned Premium

\$9,150.00

7. Schedule of Underlying Insurance:

See attached Schedule of Underlying Insurance

8. Endorsements Attached:

See attached Schedule of Endorsements



Commercial Umbrella Liability Policy

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **named insured** under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word **insured** means any person or organization qualifying as such in **SECTION V. DEFINITIONS** of this policy.

Words and phrases that are printed in bold-face type are defined in this policy. These definitions are found in **SECTION V. DEFINITIONS** of this policy or in the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and in accordance with the provisions of this policy we agree with you to provide coverage as follows:

Insuring Agreements

SECTION I. COVERAGE

A. Coverage A - Excess Follow Form Liability Insurance

Under **Coverage A**, we will pay on behalf of the **insured** those damages covered by this insurance in excess of the total applicable limits of **underlying insurance**. With respect to **Coverage A**, this policy includes:

1. The terms and conditions of **underlying insurance** to the extent such terms and conditions are not inconsistent or do not conflict with the terms and conditions referred to in Paragraph 2. below; and
2. The terms and conditions that apply to **Coverage A** of this policy.

Notwithstanding anything to the contrary contained above, if **underlying insurance** does not apply to damages, for reasons other than exhaustion of applicable Limits of Insurance by payment of **loss**, then **Coverage A** does not apply to such damages. Also, **Coverage A** does not apply to any form of **casualty business crisis expense** insurance even if such insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

B. Coverage B - Umbrella Liability Insurance

Under **Coverage B**, we will pay on behalf of the **insured** those damages the **insured** becomes legally obligated to pay by reason of liability:

1. Imposed by law because of **bodily injury, property damage, or personal and advertising injury**; or
2. Assumed under an **insured contract** because of **bodily injury or property damage**;

covered by this insurance but only if the injury, damage or offense arises out of your business, takes place during the policy period of this policy and is caused by an **occurrence** happening anywhere. We will pay such damages in excess of the **Retained Limit** specified in Item 5. of the Declarations or the amount payable by **other insurance**, whichever is greater.

Coverage B does not apply to any **loss**, claim or **suit** for which insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

The amount we will pay for **loss** under **Coverage A** or **Coverage B** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

We have no obligation under **Coverage A** and/or **Coverage B** with respect to any settlement made without our consent.

The insurance afforded under **Coverage A** and **Coverage B** applies to **bodily injury or property damage** only if prior to the policy period, no **designated insured** knew that the **bodily injury or property damage** had occurred, in whole or in part. If such a **designated insured** knew, prior to the policy period, that the **bodily injury or property damage** occurred, then any continuation, change or resumption of such **bodily injury or property damage** during or after the policy period will be deemed to have been known prior to the policy period.

Bodily injury or property damage which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **designated insured** includes any continuation, change or resumption of that **bodily injury or property damage** after the policy period; and

Bodily injury or property damage will be deemed to have been known to have occurred at the earliest time when any **designated insured**:

1. Reports all, or any part, of the **bodily injury or property damage** to us or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the **bodily injury or property damage**; or
3. Becomes aware by any other means that **bodily injury or property damage** has occurred or has begun to occur.

C. Coverage C - Casualty Business Crisis Expense

Under **Coverage C**, we will pay for **casualty business crisis expense** regardless of fault arising from a **casualty business crisis** first commencing during the policy period. No **underlying insurance** or **Retained Limit** applies to **Coverage C**. Subject to the other terms and conditions of this coverage, we shall pay **casualty business crisis expense** from the first dollar of such expense.

The amount we will pay for **casualty business crisis expense** under **Coverage C** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

Any amounts that we pay under **Coverage C** will not obligate us in any way under **Coverage A** or **Coverage B**.

SECTION II. LIMITS OF INSURANCE

A. With respect to **Coverage A** and **Coverage B**, the Limits of Insurance shown in the Declarations and the rules below describe the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made or **suits** brought;
3. Coverages provided under this policy; or
4. Persons or organizations making claims or bringing **suits**.

B. The Limits of Insurance of this policy will apply as follows:

1. The limit stated in Item **4.B.** of the Declarations for the Other Aggregate is the most we will pay for all **loss** under **Coverage A** and **Coverage B** combined except for:
 - a. **Loss** covered under the **products-completed operations hazard**; and
 - b. **Loss** covered in **underlying insurance** to which no underlying aggregate limit applies.

In addition, with respect to **Coverage A** only, if a policy listed on the Schedule of Underlying Insurance contains aggregate limits, other than an aggregate limit applying to the **products-completed operations hazard**, the Other Aggregate limit stated in Item **4.B.** of the Declarations will apply in the same manner as such other aggregate limits of each policy listed in the Schedule of Underlying Insurance.

2. The limit stated in Item **4.C.** of the Declarations for the Products-Completed Operations Aggregate is the most we will pay for all **loss** under both **Coverage A** and **Coverage B** combined as a result of **bodily injury or property damage** included within the **products-completed operations hazard**.
3. Subject to Paragraph **B.1.** or **B.2.** above, whichever applies, the limit stated in Item **4.A.** of the Declarations for Occurrence is the most we will pay for all **loss** arising out of any one **occurrence**, even if such **loss** is covered, in whole or in part, under both **Coverage A** and **Coverage B**.

C. **Coverage A** applies only in excess of the greater of the actual Limits of Insurance of **underlying insurance** or the Limits of Insurance shown on the Schedule of Underlying Insurance forming a part of this policy.

D. With respect to **Coverage C**, the limit stated as the **Casualty Business Crisis Expense** Aggregate Limit in Item **4.D.** of the Declarations is the most we will pay for all **casualty business crisis expense** first commencing during the policy period. This limit is in addition to, and **casualty business crisis expense** does not reduce or exhaust, any other Limit of Insurance applicable to this policy.

E. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.

F. With respect to **Coverage A** only and subject to paragraphs **B.1.**, **B.2.**, **B.3.** and **C.** above:

1. If the limits of **underlying insurance** have been reduced solely by payment of **loss** for which coverage is afforded under this policy, this policy will drop down to become immediately excess of the reduced underlying limit; or
2. If the limits of **underlying insurance** have been exhausted solely by payment of **loss** for which coverage is afforded under this policy, this policy will continue in force as **underlying insurance**.

SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS

- A. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy:
 1. Under **Coverage A**, when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy; or
 2. Under **Coverage B**, when damages are sought for **bodily injury, property damage, or personal and advertising injury** to which no **underlying insurance** or **other insurance** applies.
- B. Under **Coverage C**, we do not assume any duty to control the investigation and settlement of any claim, or defense of any **suit** that may arise from a covered **casualty business crisis**.
- C. In those circumstances where paragraph **A.** above applies we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:
 1. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds.
 2. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds.
 3. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off from work.
 4. All court costs taxed against the **insured** in the **suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **insured**.
 5. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

When our expenses and the payments described in paragraph **C.** above are not included in the definition of **loss**, they will not reduce the Limits of Insurance.

- D. In those circumstances where paragraph **A.** above does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of **Section III.** Paragraph **A.** above, we will pay any expense incurred with our consent.

SECTION IV. EXCLUSIONS

- A. Under **Coverage A** and **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense:

ASBESTOS

1. Arising out of or relating in any way to:
 - a. Asbestos or which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
 - b. Any:

- (1) Request, demand, order, statutory or regulatory requirement, direction or determination, that any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- (2) Claim or **suit** for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination than any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos.

EMPLOYMENT PRACTICES

2. Arising out of any **bodily injury** or **personal and advertising injury** to:

- a. A person arising out of any:
 - (1) Failure to employ or promote that person;
 - (2) Termination of that person's employment, including actual or alleged constructive dismissal;
 - (3) Employment-related practices, policies, acts or omissions, including but not limited to injury arising from coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, retaliation, hostile work environment, discrimination or malicious prosecution directed at that person; or
- b. The spouse, domestic partner, child, parent, brother or sister of that person as a consequence of any **bodily injury** or **personal and advertising injury** to that person at whom any of the employment related practices described in subparagraphs (1), (2) or (3) above is directed.

This exclusion applies:

- a. Whether the injury causing event described in paragraph 2.a. above occurs before employment, during employment or after employment of that person;
- b. Whether the **insured** may be held liable as an employer or in any other capacity; or
- c. To any obligation to share damages with or repay someone who must pay damages because of the injury.

LAWS, MISCELLANEOUS

3. Under any of the following:
- a. Any uninsured/underinsured motorist or **auto** no-fault or first party personal injury law;
 - b. Any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
 - c. The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

LOSS OF, OR LOSS OF USE OF INTANGIBLE PROPERTY

4. Arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate or process intangible property. For purposes of this insurance, **electronic data** is intangible property.

NUCLEAR

5. a. With respect to which any **insured** under this policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its Limits of Insurance; or
- b. Resulting from the **hazardous properties** of **nuclear material** and with respect to which:
- (1) A person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (2) Any **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- c. Any injury or **nuclear property damage** resulting from the **hazardous properties** of **nuclear material**, if:
- (1) The **nuclear material**:
 - (a) Is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - (b) Has been discharged or dispersed therefrom;

- (2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **insured**; or
- (3) The injury or **nuclear property damage** arises out of the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (3) applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

As used in this exclusion:

- a. **Hazardous properties** include radioactive, toxic or explosive properties.
- b. **Nuclear Facility** means:
 - (1) Any **nuclear reactor**;
 - (2) Any equipment or device designed or used for:
 - (a) Separating the isotopes of uranium or plutonium,
 - (b) Processing or utilizing **spent fuel**, or
 - (c) Handling, processing or packaging **waste**;
 - (3) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of any **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- c. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**.
- d. **Nuclear property damage** includes all forms of radioactive contamination of property.
- e. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- f. **Source material**, **special nuclear material** and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- g. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.
- h. **Waste** means any waste material:
 - (1) Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
 - (2) Resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**.

VIOLATION OF STATUTES

- 6. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:
 - a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - c. The Fair Credit Reporting Act (FCRA) and any amendment or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
 - d. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

WAR AND MILITARY ACTION

7. Arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that contributes concurrently or in any sequence to injury or damage.

B. Under **Coverage A** this policy does not apply to any liability, damage, **loss**, cost or expense:**POLLUTION**1. Arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**. However, this subparagraph does not apply to:
 - (1) Bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2) Bodily injury or property damage for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to **underlying insurance** as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that additional insured; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**;
- b. At or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
- c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you maybe legally responsible; or
- d. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor. However, this subparagraph does not apply to:
 - (1) Bodily injury or property damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operation fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the bodily injury or property damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (2) Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor;
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.
- e. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
- f. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, any auto for which coverage is provided by **underlying insurance**;

(2) Otherwise in the course of transit by or on behalf of any **insured**; or

(3) Being stored, disposed of, treated or processed in or upon any auto.

However, this subparagraph **f.** does not apply to bodily injury or property damage arising out of:

(i) The escape of fuels, lubricants, other operating fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto; or

(ii) The escape of **pollutants** from a covered auto that directly results from the collision, upset or overturn of such auto while in the course of transit away from any premises owned by or rented to any **insured**.

2. Arising out of any:

a. Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or

b. Claim or **suit** brought by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

C. Under **Coverage B** this policy does not apply to:

AIRCRAFT, AUTOS OR WATERCRAFT

1. Any liability, damage, **loss**, cost or expense arising out of the ownership, maintenance, operation, use, loading or unloading or entrustment to others of any

a. Aircraft owned by you or rented, loaned or chartered by or on behalf of you without crew;

b. **Auto**; or

c. Watercraft owned by you except watercraft while ashore on premises you own or rent.

This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **insured**.

EMPLOYEE INJURY

2. Any injury to:

a. An **employee** of the **insured** arising out of and in the course of:

(1) Employment by the **insured**; or

(2) Performing duties related to the conduct of the **insured's** business; or

b. Any injury to the spouse, domestic partner, child, parent, brother, or sister of that **employee** as a consequence of exclusion **2.a.** above.

This exclusion applies whether the **insured** may be liable as an employer or in any other capacity, or to any obligation to share damages with or repay someone else who must pay damages because of an injury.

IMPAIRED PROPERTY

3. **Property damage** to **impaired property** or property that has not been physically injured arising out of:

a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or

b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

INTENTIONAL INJURY

4. **Bodily injury** or **property damage** expected or intended from the standpoint of the **insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

PERSONAL and ADVERTISING INJURY

5. Personal and advertising injury:

- a. Caused by or at the direction of the **insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**;
- b. Arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of any **insured**;
- e. For which the **insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement;
- f. Arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**;
- g. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **advertisement**;
- h. Arising out of the wrong description of the price of goods, products or services stated in your **advertisement**;
- i. Arising out of the infringement of copyright, patent, trademark, trade secret, trade dress, slogan or other intellectual property rights.

However, this exclusion does not apply to infringement of copyright, trade dress or slogan in your **advertisement**;

- j. Committed by an **insured** whose business is:

- (1) Advertising, broadcasting, publishing, electronic publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access or content provider.

However, this exclusion **5.j.**, does not apply to sub-paragraphs **C.**, **12. a.**, **b.**, **c.** and **h.** of **personal and advertising injury** under **SECTION V. DEFINITIONS**.

For purposes of this exclusion **5.j.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- k. Arising out of an electronic chatroom or bulletin board the **insured** hosts, owns or over which the **insured** exercises control; or
- l. Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

POLLUTION

6. Any liability, damage, **loss**, cost or expense:

- a. Arising directly or indirectly out of the actual, alleged or threatened existence, discharge, seepage, migration, dispersal, release or escape of **pollutants**; or
- b. Arising out of any:
 - (1) Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 - (2) Claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

PRODUCT RECALL

7. Damages claimed for any **loss**, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
 - a. **Your product**;
 - b. **Your work**; or
 - c. **Impaired property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

PROPERTY DAMAGE

8. **Property damage** to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any person or organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises you sell, give away or abandon if the **property damage** arises out of any part of those premises;
- c. Property loaned to you;
- d. Personal property in your care, custody or control;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it;
- g. **Your product** arising out of it or any part of it; or
- h. **Your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

- D. Under **Coverage C**, this policy does not apply to any **casualty business crisis** arising out of, based upon or attributable to:

PRIOR NOTICE

1. Facts alleged, or to the same or related acts alleged or contained, in any crisis, claim or **suit** that has been reported, or in any circumstances where notice has been given under any policy of which this policy or any **underlying insurance** is a renewal or replacement; or

PENDING OR PRIOR CRISIS CLAIM OR SUIT

2. Any pending or prior claim or **suit** as of the inception date of this policy.

SECTION V. DEFINITIONS

In this policy, words and phrases appearing in bold face type have the definitions shown below.

A. The following definitions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Designated insured** means:
 - a. The person(s) and organization(s) specifically described under **SECTION V. DEFINITIONS**, sub-paragraphs **C.6.a.** through **C.6.e.** below for any **insured**; or
 - b. Any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit**.
2. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
3. **Loss** means those sums actually paid that the **insured** is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense, after making proper deductions for all recoveries and salvage. However:
 - a. Under **Coverage A**:
 - (1) **Loss** also includes defense expenses and supplementary payments if **underlying insurance** includes defense expenses and supplementary payments in the Limits of Insurance; and

(2) **Loss** does not include defense expenses and supplementary payments if **underlying insurance** does not include defense expenses and supplementary payments in the Limits of Insurance.

b. Under **Coverage B**, **loss** does not include defense expenses and supplementary payments.

4. **Other insurance** means a policy of insurance providing coverage that this policy also provides. **Other insurance** includes any type of self-insurance or other mechanisms by which an **insured** arranges for funding of legal liabilities.

Other insurance does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy providing coverage that this policy also provides.

5. **Pollutants** mean any man-made or naturally occurring solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke; vapor; soot; fumes; acids; alkalis; chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

6. **Suit** means a civil proceeding in which injuries or damages to which this insurance applies are alleged. **Suit** includes:

- a. An arbitration proceeding in which such damages are claimed and to which the **insured** must submit pursuant to law or contract or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.

7. **Underlying insurance** means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy. We will only be liable for amounts in excess of the Limits of Insurance shown in the Schedule of Underlying Insurance for any **underlying insurance**.

B. The following definitions are applicable to **Coverage A** only:

1. **Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.

2. **Insured** means:

- a. You;
- b. Any person or organization included as an **insured** in **underlying insurance**; and
- c. Any person or organization qualifying as an additional **insured** in **underlying insurance** but only to the same extent that such person or organization is an additional **insured** under such **underlying insurance**.

3. **Non-Admitted Jurisdiction** means:

- a. Any country or political subdivision in which we are not licensed or permitted to insure risks and where doing so would violate the insurance laws and regulations of such jurisdiction; or
- b. Any country or political subdivision where we are prevented by law from investigating, defending or settling an **occurrence** or **suit**.

4. **Occurrence** means a covered event as defined in **underlying insurance**.

5. **Qualified Entity** means any entity, person or organization that is not an **insured** under this policy and would qualify as an **insured** under this policy, but for the fact that the entity is registered, domiciled or has ongoing operations in a **non-admitted jurisdiction**.

C. The following definitions are applicable to **Coverage B** only:

1. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For purpose of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding websites, only that part of a website that is about your goods, products or services for the purpose of attracting customers or supporters is considered an **advertisement**.

2. **Auto** means:

- a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, **auto** does not include **mobile equipment**.

- 3. **Bodily injury** means physical injury, sickness, or disease, including death of a person. **Bodily injury** to such person also means mental anguish, mental injury, humiliation, or shock if directly resulting from physical injury, sickness, or disease.
- 4. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
- 5. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by;

- a. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - b. Your fulfilling the terms of the contract or agreement.
- 6. **Insured** means:
 - a. You, if you are an organization shown in the Declarations, other than a partnership, joint venture or limited liability company. Your executive officers and directors are **insureds**, but only with respect to their duties as your executive officers or directors. Your stockholders are also **insureds**, but only with respect to their liability as stockholders;
 - b. You, if you are a partnership or joint venture shown in the Declarations. Your members, your partners, and their spouses or domestic partners are also **insureds**, but only with respect to the conduct of your business;
 - c. You and your spouse or domestic partner, if you are an individual shown in the Declarations, but only with respect to the conduct of a business of which you are the sole owner;
 - d. You, if you are a limited liability company shown in the Declarations. Your members are also **insureds**, but only with respect to the conduct of your business. Your managers are **insureds**, but only with respect to their duties as your managers;
 - e. You, if you are a trust shown in the Declarations. Your trustees are also **insureds**, but only with respect to their duties as trustees;
 - f. Your **employees**, but only for acts within the scope of their employment by you;
 - g. Your **volunteer workers**, but only while performing duties related to the conduct of your business;
 - h. Any person or organization while acting as your real estate manager; or
 - i. Your legal representative if you die, but only with respect to duties as such.

No person or organization is an **insured** with respect to the conduct of any current, past or newly formed partnership, limited liability company or joint venture that is not designated within the Declarations of this policy as **Named Insured**.

- 7. **Insured contract** means any written or oral agreement entered into by the **insured** in the usual course of the business operations of the **insured** in which the **insured** assumes the tort liability of another to pay damages because of **bodily injury** or **property damage** to a third person or organization where the contract or agreement is made prior to the injury or damage. Liability means a liability that would be imposed by law in the absence of any contract or agreement.
- 8. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
- 9. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;

- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
- e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers.
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but are considered **autos**:

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on an **auto** or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

10. Named insured means:

- a. The person(s) and organization(s) designated in Item **1.** of the Declarations of this policy;
- b. Any organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply, other than one which you newly acquire or form; or
- c. Any newly acquired or formed organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply; provided that this policy does not apply to any injury or damage that took place before you acquired or formed the organization.

11. Occurrence means:

- a. With respect to **bodily injury** or **property damage** liability, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- b. With respect to **personal and advertising injury**, a covered offense. All damages that arise from the same act, publication or general conditions are considered to arise out of the same **occurrence**, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.

12. Personal and advertising injury means injury, including consequential **bodily injury**, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your **advertisement**;
- g. Infringement upon another's copyright, trade dress or slogan in your **advertisement**; or
- h. Discrimination (unless insurance thereof is prohibited by law), not arising out of or related to employment practices.

Personal and advertising injury also means mental anguish, mental injury, humiliation, or shock, if directly resulting from an offense listed in Items **12.a.** through **12.h.** above.

13. Products-completed operations hazard means all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:

- a. Products that are still in your physical possession; or
- b. Work that has not yet been completed or abandoned. **Your work** will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in your contract has been completed;
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **bodily injury** or **property damage** arising out of:

- a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the loading or unloading of it by any **insured**; or
- b. The existence of tools, uninstalled equipment or abandoned or unused materials.

14. Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.

15. Retained limit means the amount of damages applicable to each **occurrence** for which the **insured** is responsible that is shown in Item **5.** of the Declarations.

16. Temporary worker means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

17. Volunteer worker means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

18. Your product means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and
- b. The providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for use of others but not sold.

19. Your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- b. The providing of or failure to provide warnings or instructions.

D. The following definitions are applicable to **Coverage C** only:

1. Casualty business crisis means an event that in the good faith opinion of your **principal**, in the absence of **casualty business crisis services**, has been or may be associated with:

- a. Damages covered by this policy under **Coverage A** that are in excess of the applicable limits of **underlying insurance** or under **Coverage B** that are in excess of the **Retained Limit**; and
- b. Significant adverse regional or national media coverage.

Casualty business crisis shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths or injuries, burns, dismemberment, traumatic brain injury, paraplegia, or contamination of food, drink or pharmaceuticals.

For purposes of **Coverage C**, a **casualty business crisis** will first commence when your **principal** first become aware of the **occurrence** and will conclude at the earliest of the time when the **casualty business crisis advisor** advises you that the crisis no longer exists or when the **Casualty Business Crisis Expense** Aggregate Limit has been exhausted.

2. Casualty business crisis advisor means any public relations firm or crisis management firm approved by us that is hired by you to perform **casualty business crisis services** in connection with a **casualty business crisis**.

3. Casualty business crisis expense means amounts paid:

- a. To you for the reasonable and necessary:
 - (1) Fees and expenses of a **casualty business crisis advisor** in the performance for you of **casualty business crisis services** solely for a covered **casualty business crisis**; and
 - (2) Amounts for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a **casualty business crisis advisor** solely for a **casualty business crisis**; and
- b. To others for the following reasonable and necessary expenses resulting from such covered **casualty business crisis** provided that such expenses have been approved by us:
 - (1) Medical expenses;
 - (2) Funeral expenses;
 - (3) Psychological counseling;
 - (4) Travel expenses;
 - (5) Temporary living expenses;
 - (6) Expenses to secure the scene of a **casualty business crisis**; and
 - (7) Any other expenses pre-approved by us.

4. Casualty business crisis services means those services performed by a **casualty business crisis advisor** in advising you on minimizing potential harm to you from a covered **casualty business crisis** by maintaining or restoring public confidence in you.

5. Principal means your Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if you are a partnership) or sole proprietor (if you are a proprietorship).

SECTION VI. CONDITIONS

A. The following Conditions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. Appeals

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the **underlying insurance**, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II.** of this policy.

2. Audit of Books and Records

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three (3) years after the expiration or termination of this policy.

3. Bankruptcy or Insolvency

The bankruptcy, insolvency or inability to pay of any **insured** will not relieve us from our obligation to pay damages covered by this policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such **underlying insurance**, but will apply as if all the limits of any **underlying insurance** are fully available and collectible.

4. Cancellation and Nonrenewal**a. Cancellation**

- (1) You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for cancellation, as well as the date when the cancellation is to take effect. Mailing notice to you at your mailing address shown in Item **2.** of the Declarations will be sufficient to prove notice.
- (3) The policy period will end on the day and hour stated in the cancellation notice.
- (4) If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
- (5) Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

b. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the first **Named insured** shown in the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy.

6. Currency

Settlements will be paid in United States currency or, when required, in the currency of the country or jurisdiction where the **loss** or **casualty business crisis** occurred. When conversion into another currency from United States currency is required to pay any **loss** or **casualty business crisis expense**, the rate of exchange will be determined on the date of the settlement. The rate of exchange will be the rate we incur in obtaining the foreign currency.

7. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first **Named Insured** will act on behalf of all other **insureds** for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation, for the receipt and acceptance of this policy and any endorsements forming a part of this policy, and for the receiving of any return premiums that become payable under this policy.

8. Inspection

We have the right, but are not obligated to inspect the **insured's** premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

9. Entities That Are Registered, Domiciled or Have Ongoing Operations in Non-Admitted Jurisdictions

This condition applies solely with respect to entities that are registered, domiciled or have ongoing operations in **non-admitted jurisdictions**.

With respect to a **qualified entity**:

- a. Under **Coverage A**, we will reimburse the first **Named Insured** for **loss** incurred by a **qualified entity** that would have been covered this policy but for the fact that the **loss** was incurred by a **qualified entity** including:

- (1) Damages covered by this policy in excess of the total applicable limits of **underlying insurance**; and
- (2) Reasonable defense expenses incurred with our consent.

We have no duty to defend any person or organization against any claim or **suit** brought or proceeding instituted against any **qualified entity** in a **non-admitted jurisdiction**, but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.

- b. Coverage under this policy will not apply until the **qualified entity** or the **qualified entity's** underlying insurer has paid or is obligated to pay the full amount of the applicable limits of **underlying insurance**.
- c. The duties and requirements imposed upon any **insured** under this policy will not apply to any **non-admitted jurisdiction**. However, with respect to any claims made or **suits** brought in a **non-admitted jurisdiction**, it will be the duty of the first **Named Insured** to do or cause the applicable **qualified entity** to do such things as would be required of such **qualified entity** if **Coverage A** applied directly to such claim or **suit**, including:
 - (1) Make such investigation, defense or settlement as we deem reasonable;
 - (2) Obtain our approval for any payment; and
 - (3) Effect approved payments to others, in accordance with the terms and conditions of this insurance.
- d. Under **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any operations or activities of a **qualified entity**.
- e. We will promptly pay the first **Named Insured** at the mailing address listed in Item 2. of the Declarations the amount of damages covered under the terms of this policy. If the first **Named Insured** or any **qualified entity** recovers from any third party all or part of any amount that we have paid pursuant to this insurance, the first **Named Insured** will promptly reimburse the amount of any such recovery to us.

10. Legal Action Against Us

There will be no right of action against us under this insurance unless:

- a. You have complied with all the terms of this policy; and
- b. The amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

11. Maintenance of Underlying Insurance

During the period of this policy, you agree:

- a. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- b. That the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of limits by payment of claims or **suits** for damages covered by **underlying insurance**;
- c. The policies listed in the Schedule of Underlying Insurance may not be canceled or not renewed by you without notifying us, and you agree to notify us in the event an insurance company cancels or declines to renew any policy listed in the Schedule of Underlying Insurance; and
- d. Renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be materially changed without our agreement.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

12. Miscellaneous Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this policy, shall not invalidate or affect the coverage for those operations or premises. However, the **insured** must report such error or omission to the company as soon as practicable after its discovery.

13. Other Insurance

If **other insurance** applies to damages that are also covered by this policy, this policy will apply excess of the **other insurance**. However, this provision will not apply:

- a. If the **other insurance** is written to be excess of this policy; or
- b. With respect to **Coverage A** only, if the **named insured** has agreed in a written contract to carry insurance to apply prior to and be non-contributory with that of another person or organization's insurance, but only as respects damages arising out of insured operations or work on behalf of the **named insured** performed under such written contract. The limits available to the other person or organization will be the lesser of the policy limits or the minimum limits required by such written contract. In that case, **other insurance** of that person or organization will apply as excess and not contribute prior to the insurance afforded by this policy.

Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such **other insurance**.

14. Premium

The premium for this policy as stated in Item 6. of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

15. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first **Named Insured**, this insurance applies:

- a. As if each **named insured** were the only **named insured**; and
- b. Separately to each **insured** against whom claim is made or **suit** is brought.

16. Terms Conformed to Statute

The terms of this policy which are in conflict with the statutes, laws, ordinances or regulations in any country, jurisdiction, state or province where this policy is issued are amended to conform to such statutes, laws, ordinances or regulations. If we are prevented by law or statute from paying on behalf of the **insured**, then we will, where permitted by law or statute, indemnify the **insured**.

17. Transfer of Rights of Recovery Against Others to Us

- a. If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after the **loss** to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

However, if any **insured** is required by a written contract or agreement which is executed before a **loss** to waive their rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights

shall not be construed to be a waiver with respect to any other operations for which the **insured** has not waived their rights of recovery by contract.

- b. Any amount recovered will be apportioned in the inverse order of payment of **loss** to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

18. Transfer of Your Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property s

19. When Loss is Payable

Coverage under this policy will not apply until the **insured**, or the **insured's** underlying insurer has paid or is legally obligated to pay the full amount of the Underlying Limits of Insurance or **Retained Limit**.

When the amount of **loss** is determined by an agreed settlement or on a final judgment against an **insured** obtained after an actual trial, we will promptly pay on behalf of the **insured** the amount of **loss** covered under the terms of this policy. The first **Named Insured** will promptly reimburse us for any amount within the **Retained Limit** paid by us.

20. Violation of Economic or Trade Sanctions

If coverage for a claim or **suit** under this policy is in violation of any economic or trade sanctions of the United States of America then coverage for that claim or **suit** will be null and void.

B. The following Condition is applicable to **Coverage A** and **Coverage B**:

1. Notice of Occurrence, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in damages covered by this policy.

To the extent possible, notice will include:

- (1) How, when and where the **occurrence** took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the **occurrence**.
- b. Knowledge of an **occurrence** by the agent, servant or **employee** of yours, shall not in itself constitute knowledge by the **insured** unless you, or any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit** shall have received such notice from the agent, servants or **employee**.
- c. If a claim or **suit** against any **Insured** is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
- d. You and any other involved **insured** must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- e. The **insureds** will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- f. Your failure to give notice of an **occurrence** to us shall not invalidate coverage under this policy if the **occurrence** was inadvertently reported to another Insurer. However, you shall report any such **occurrence** to us as soon as practicable once you become aware of such error.

C. The following Conditions are applicable to **Coverage C**:

1. Notice of a Casualty Business Crisis

You must see to it that we are notified of a **casualty business crisis** as soon as practicable after it first commences. Such notice shall include a description of the **casualty business crisis** and the reason it is likely to involve damages covered by this policy in excess of the applicable limits of **underlying insurance** under **Coverage A** or **Retained Limit** under **Coverage B** and significant adverse regional or national media coverage. We will not be liable for **casualty business crisis expense** incurred prior to, or more than one hundred eighty (180) days after the date notice of such **casualty business crisis** is first given to us. Notice to us shall be given to Zurich Claim Reporting, Care Center, P.O. Box 49547, Colorado Springs, CO 80949, Phone 1-800-987-3373, Fax 1-877-962-2567, E-Mail USZ Care Center@Zurichna.com.

2. Arbitration

If you and we disagree as to whether a **casualty business crisis** has occurred, both parties may, by mutual consent agree in writing to arbitration of the disagreement and the right to any reimbursement for **casualty business crisis expense**.

In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

- a. Pay the expenses it incurs; and
- b. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the state, county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

Schedule of Underlying Insurance



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits
A. Company: ZURICH AMERICAN INSURANCE COMPANY Policy No: CPO 5912284-00 Term: 09/01/2012 to 09/01/2013	Commercial General Liability Including Employee Benefits	\$1,000,000 Each Occurrence \$2,000,000 Products – Completed Operations Aggregate \$2,000,000 General Aggregate Per Location Per Job/Project \$1,000,000 Personal Injury Advertising Injury \$1,000,000 Each Claim \$1,000,000 Aggregate
B. Company: ZURICH AMERICAN INSURANCE COMPANY Policy No: CPO 5912284-00 Term: 09/01/2012 to 09/01/2013	Commercial Auto Liability	\$1,000,000 Bodily Injury & Property Damage Combined Single Limit
C. Company: TBD Policy No: TBD Term: 09/01/2012 to 09/01/2013	Employers Liability	Bodily Injury By Accident \$1,000,000 Each Accident Bodily Injury By Disease \$1,000,000 Policy Limit Bodily Injury By Disease \$1,000,000 Each Employee

Signed by: _____
Authorized Representative

Date

Endorsement#

Installment Schedule

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DATE DUE	PREMIUM DUE
09/01/2012	\$14,640.00
12/01/2012	7,320.00
03/01/2012	7,320.00
06/01/2012	7,320.00

Signed by: _____
 Authorized Representative

 Date

Schedule of Forms and Endorsements



Policy No. UMB 5912288 00	Eff. Date of Pol. 09/01/2012	Exp. Date of Pol. 09/01/2013	Eff. Date of End 09/01/2012	Producer 70074000
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Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Schedule of Forms and Endorsements

Form Name	Form Number	Edition Date
Commercial Umbrella Liability Policy Jacket	UUMB100BCW	7/2003
Commercial Umbrella Liability Policy Declarations	UUMBD101CCW	3/2010
Commercial Umbrella Liability Policy	UUMB103CCW	3/2010
Schedule of Underlying Insurance	UUMB105ACW	7/1999
Installment Schedule	UUMB200ACW	7/1999
Schedule of Forms and Endorsements	UUMB104ACW	7/1999
Care, Custody Or Control Exclusion	UUMB129BCW	7/2003
Fungus or Bacteria Exclusion	UUMB385BCW	7/2003
Lead Exclusion	UUMB193ACW	7/1999
Employee Benefits Liability Follow Form	UUMB167BCW	7/2003
Foreign Operations Follow Form	UUMB183ACW	7/1999
Personal and Advertising Injury Follow Form	UUMB217ACW	7/1999
Technology Errors and Omissions Follow Form	UUMB663ACW	2/2009
California Cancellation and Nonrenewal Endorsement	UUMB265CCA	4/2010
CAP on Losses from Certified Acts of Terrorism	UGU767ACW	1/2008
Disclosure of Important Information Relating to TRIA	UGU630C	12/2007
Important Notice - In Witness Clause	UGU319F	1/2009

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Care, Custody Or Control Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** this policy does not apply to property damage to: Real and/or Personal Property of others in the care, custody or control of the **insured**.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Fungus or Bacteria Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** and **Coverage B** this policy does not apply to any liability, damage, **loss**, cost or expense:

- A.** Caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
- 1. Fungi, or bacteria; or**
 - 2. Substance, vapor or gas produced by or arising out of any fungi or bacteria.**
- B.** Arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, **fungi or bacteria**, by any **insured** or by any other person or entity.

Definitions

As used in this endorsement:

- 1. Bacteria** means any type or form of bacteria and any materials or substances that are produced or released by bacteria.
- 2. Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, **spores**, scents or by-products produced or released by fungi.
- 3. Spores** means reproductive bodies produced by or arising out of **fungi**.

This exclusion does not apply to any **fungi or bacteria** that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Lead Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. Under Coverage A and Coverage B this policy does not apply to:

- 1.** Any liability, damage, **loss**, cost or expense arising out of, resulting from, caused by or contributed to by toxic or pathological properties of lead, lead compounds or lead contained in any materials;
- 2.** Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
- 3.** Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with paragraphs **1.** or **2.** above; or
- 4.** Any obligation to share damages with or repay anyone else who must pay damages in connection with paragraphs **1.**, **2.**, or **3.** above.

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Employee Benefits Liability Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense imposed on any **insured** as a Fiduciary Administrator, or other party in interest arising out of any **Employee Benefits Program**, record handling in connection with any **Employee Benefits Program**, or effecting or terminating any employee's participation in any plan included in any "**Employee Benefits Program**".

As used in this endorsement:

Employee Benefits Program means any group life insurance, group accident or health insurance, profit sharing plans, pension plans, stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits and any other similar plans.

Signed by: _____
 Authorized Representative

_____ Date

Endorsement #

Foreign Operations Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **insured's** operations or activities outside of the United States of America (including its territories and possessions), Puerto Rico or Canada whether or not the **insured's** responsibility to pay damages is determined in a **suit** on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Personal and Advertising Injury Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **personal and advertising injury** offense.

Signed by: _____
 Authorized Representative

 Date

Endorsement #

Technology Errors and Omissions Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, **damages, loss**, cost or expense arising out of:

1. The failure of **your product** to perform the function or serve the purpose intended;
2. The performance or nonperformance of **your work**;
3. Purchase or contract price for **your product** or **your work**;
4. Disgorgement of profits, restitution, or any money or credits that represent any gain, profit, or advantage to which you are not legally entitled; or
5. Criminal or civil penalties.

As used in this endorsement the following definitions apply:

1. **Damages** means a monetary amount to compensate for a **wrongful act**.
2. **Wrongful act** means an error or omission by or on behalf of any **insured**.
3. **Your product** means
 - a. Any goods or products manufactured, developed, designed, created, sold, handled, licensed, marketed, distributed, or disposed of by you or on your behalf, including but not limited to:
 - 1) Computer software or computer programming;
 - 2) Electronic or computer equipment, components, or peripherals;
 - 3) Telecommunications or broadcasting equipment; or
 - 4) Industrial or robotic equipment; and
 - b. Containers (other than vehicles), materials, parts, or equipment furnished in connection with such goods or products.

Your product includes:

 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your product**; and
 - b. The providing of or failure to provide warnings or instructions.
4. **Your work** means:
 - a. Work or operations performed by you or on your behalf, including but not limited to:
 - 1) Installation, service, technical support, system integration, maintenance, repair, consulting, or analysis of:

- a) Computer software or computer programming;
 - b) Electronic or computer equipment, components, or peripherals;
 - c) Telecommunications or broadcasting equipment; or
 - d) Industrial or robotic equipment;
- and any training services provided in conjunction with the above activities;
- 2) Electronic processing, management, mining, or warehousing of data or records for others;
 - 3) Providing multimedia services, including but not limited to:
 - a) Television broadcasting;
 - b) Cable and satellite broadcasting;
 - c) Radio broadcasting;
 - d) Electronic broadcasting;
 - e) Internet access; or
 - f) Website design;
 - 4) Providing telecommunication services, including but not limited to:
 - a) Wire based telecommunications;
 - b) Wireless telecommunications; or
 - c) Paging services; and
 - 5) Administration, management, operation, or hosting of systems, technology, or computer facilities for another person or organization; and
- b. Materials, parts, or equipment furnished in connection with such work or operations.

Your work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your work**; and
- b. The providing of or failure to provide warnings or instruction.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Signed by: _____
Authorized Representative

Date

Endorsement #



California Cancellation and Nonrenewal Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
UMB 5912288 00	09/01/2012	09/01/2013	09/01/2012	70074000	---	---

Named Insured and Mailing Address:

OMNICELL INC
1201 CHARLESTON RD
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, a. Cancellation, paragraph (2), is deleted and replaced with the following:

- (2) We may cancel this policy if we cancel because of non-payment of premium; we will mail or deliver to you at the address shown on your policy not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for the cancellation and stating when the cancellation is to take effect. Mailing or delivery of the notice of cancellation to you shall be deemed to have been given to all **insureds**.
- (a) If this policy has been in effect for less than sixty (60) days and it is not a renewal of a policy we issued, we may cancel this policy for any reason.
- (b) If this policy has been in effect for sixty (60) days or more or if this policy is a renewal of policy we issued, we may cancel this policy for one or more of the following reasons:
- i Non-payment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.
 - ii Discovery of fraud or material misrepresentation by any **insured** or his or her representative in obtaining this insurance or in pursuing a claim under this policy
 - iii A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.
 - iv Discovery of willfully or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against
 - v Failure by you or your representative to implement reasonable loss control requirements, agreed to as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
 - vi A determination by the Commissioner of Insurance that the loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency;
 - vii determination by the Commissioner of Insurance that continuation of the policy coverage would place us in violation of California law or the laws of the state where we are domiciled or threaten our solvency;
 - viii A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased, or changed risk is included in the policy;

- ix A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies;
- x Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse;
- xi A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.

(c) If we cancel for non-payment of premium, you may continue coverage and avoid the effect of the cancellation by payment in full at any time prior to the effective date of cancellation.

B SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, b Nonrenewal, is deleted and replaced with the following:

b. Nonrenewal

- (1) If we decide not to renew this policy, we will mail or deliver notice of nonrenewal at least sixty (60) days, but not more than one hundred, twenty (120) days, before the expiration date of this policy. Such notice will be mailed or delivered to you, at the mailing address last known to us and producer of record (if any). Proof of mailing will be sufficient proof of notice. Mailing or delivery of the notice of nonrenewal to you shall be deemed to have been given to all **insureds**.
- (2) We need not provide notice of nonrenewal if:
 - (a) The transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group;
 - (b) The policy has been extended for ninety (90) days or less, provided that notice has been given in accordance with the paragraph (1);
 - (c) You have obtained replacement coverage, or if you have agreed, in writing, within sixty (60) days of the termination of the policy, to obtain that coverage;
 - (d) The policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed;
 - (e) You request a change in the terms or conditions or risks covered by the policy within sixty (60) days of the end of the policy;
 - (f) We have made a written offer to you, in accordance with paragraph (1), to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%;
 - (g) The policy has been designated as nonrenewable.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

**ZURICH**

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number
OMNICELL INC	UMB 5912288 00	09/01/2012	

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

Commercial Umbrella Liability

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

Insured Name: **OMNICELL INC**
Reference Number: **UMB 5912288 00**
Effective Date: **09/01/2012**



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

Not Applicable - Terrorism Exclusion.

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.



Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Nancy D. Mueller

President

David J. Keating

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

EXHIBIT F

Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations



No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

[Please read this Notice carefully.](#)

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

Insured Name: OMNICELL, INC

Reference Number: AUC 5912288-01

Effective Date: 09/01/2013



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

**DISCLOSURE OF IMPORTANT INFORMATION
RELATING TO TERRORISM RISK INSURANCE ACT
SCHEDULE***

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

\$836

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an "act of terrorism" if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

Disclosure Statement



It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Commercial Umbrella Liability Policy

Declarations

Insurance is provided by the company below.

American Guarantee and Liability Insurance Company

Policy Number: AUC 5912288-01

Renewal of Number: UMB 5912288-00

1. Named Insured: OMNICELL, INC

**Producer: MARSH RISK & INSURANCE
SERVICES**

**2. Mailing Address: 590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337**

**1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508**

Email Address:

Eric.Chua@marsh.com

3. Policy Period: From: 09/01/2013 To: 09/01/2014
at 12:01 A.M. Standard Time at the address of the Named Insured.

4. Limits of Insurance:

A. \$25,000,000	Occurrence
B. \$25,000,000	Other Aggregate
C. \$25,000,000	Products/Completed Operations Aggregate
D. \$250,000	Casualty Business Crisis Aggregate Limit

5. Retained Limit: \$0 Occurrence

6. Policy Premium:

Advance Premium \$42,636

Policy Minimum Earned Premium \$10,659

7. Schedule of Underlying Insurance: See attached Schedule of Underlying Insurance

8. Endorsements Attached: See attached Schedule of Forms and Endorsements



Schedule of Forms and Endorsements

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Form Name	Form Number	Edition Date
Advisory Notice To Policyholders Regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Regulations	U-GU-1041-A	(03/11)
Commercial Umbrella Liability Policy Declarations	U-UMB-D-101-C CW	(03/10)
Schedule of Underlying Insurance	U-UMB-105-A CW	(07/99)
Extended Schedule of Underlying Insurance	U-UMB-106-A CW	(07/99)
Commercial Umbrella Liability Policy	U-UMB-103-C CW	(03/10)
Care, Custody Or Control Exclusion	U-UMB-129-B CW	(07/03)
Employee Benefits Liability Follow Form	U-UMB-167-B CW	(07/03)
Foreign Operations Follow Form	U-UMB-183-A CW	(07/99)
Lead Exclusion	U-UMB-193-A CW	(07/99)
Personal and Advertising Injury Follow Form	U-UMB-217-A CW	(07/99)
Fungus or Bacteria Exclusion	U-UMB-385-B CW	(07/03)
Technology Errors and Omissions Follow Form	U-UMB-663-A CW	(02/09)
Important Notice - In Witness Clause	U-GU-319-F CW	(01/09)
CAP on Losses from Certified Acts of Terrorism	U-GU-767-A CW	(01/08)
California Cancellation and Nonrenewal	U-UMB-265-C CA	(04/10)
Exclusion - Collection or Distribution of Material or Information in Violation of Law	U-UMB-525-E CW	(01/12)



Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
A. Company: TBD	Commercial General Liability	\$1,000,000	Premises - Each Occurrence
Policy No: CPO 5912284	Domestic Package Policy	\$1,000,000	Products / Completed Ops - Each Occurrence
Term: 09/01/2013 to 09/01/2014		\$2,000,000	Products / Completed Operations Aggregate
		\$2,000,000	General Aggregate Per Location
		\$1,000,000	Personal Injury/ Advertising Injury
	Including Employee Benefits	\$1,000,000	Employee Benefits - Each Claim
		\$1,000,000	Employee Benefits - General Aggregate

Company, Policy No. and Term	Coverage	Applicable Limits	
B. Company: TBD	Commercial Auto Liability	\$1,000,000	Combined Single Limit
Policy No: CPO 5912284	Domestic Package Policy		
Term: 09/01/2013 to 09/01/2014			

Company, Policy No. and Term	Coverage	Applicable Limits	
C. Company: TBD	Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident

Policy No: WC 5543003	Workers Compensation Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 01/01/2013 to 01/01/2014		\$1,000,000	Bodily Injury By Disease - Policy Limit



Extended Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: TBD	Foreign Liability Premises and Products/Completed Ops Liability	\$1,000,000	Each Occurrence
Policy No: TBD	Foreign Package Policy	\$2,000,000	General Aggregate
Term: 09/01/2013 to 09/01/2014		\$2,000,000	Products / Completed Operations Aggregate

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: TBD	Foreign Liability Automobile Liability	\$1,000,000	Combined Single Limit
Policy No: TBD	Foreign Package Policy		
Term: 09/01/2013 to 09/01/2014			

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: TBD	Foreign Liability Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: ZE 5912294	Foreign Package Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 09/01/2013 to 09/01/2014		\$1,000,000	Bodily Injury By Disease - Policy Limit



Commercial Umbrella Liability Policy

Zurich North America

Insurance is provided by the company designated on the Declarations of this policy.



ZURICH®

Commercial Umbrella Liability Policy

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **named insured** under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word **insured** means any person or organization qualifying as such in **SECTION V. DEFINITIONS** of this policy.

Words and phrases that are printed in bold-face type are defined in this policy. These definitions are found in **SECTION V. DEFINITIONS** of this policy or in the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and in accordance with the provisions of this policy we agree with you to provide coverage as follows:

Insuring Agreements

SECTION I. COVERAGE

A. Coverage A - Excess Follow Form Liability Insurance

Under **Coverage A**, we will pay on behalf of the **insured** those damages covered by this insurance in excess of the total applicable limits of **underlying insurance**. With respect to **Coverage A**, this policy includes:

1. The terms and conditions of **underlying insurance** to the extent such terms and conditions are not inconsistent or do not conflict with the terms and conditions referred to in Paragraph **2.** below; and
2. The terms and conditions that apply to **Coverage A** of this policy.

Notwithstanding anything to the contrary contained above, if **underlying insurance** does not apply to damages, for reasons other than exhaustion of applicable Limits of Insurance by payment of **loss**, then **Coverage A** does not apply to such damages. Also, **Coverage A** does not apply to any form of **casualty business crisis expense** insurance even if such insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

B. Coverage B - Umbrella Liability Insurance

Under **Coverage B**, we will pay on behalf of the **insured** those damages the **insured** becomes legally obligated to pay by reason of liability:

1. Imposed by law because of **bodily injury, property damage, or personal and advertising injury**; or
2. Assumed under an **insured contract** because of **bodily injury or property damage**;

covered by this insurance but only if the injury, damage or offense arises out of your business, takes place during the policy period of this policy and is caused by an **occurrence** happening anywhere. We will pay such damages in excess of the **Retained Limit** specified in Item **5.** of the Declarations or the amount payable by **other insurance**, whichever is greater.

Coverage B does not apply to any **loss**, claim or **suit** for which insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

The amount we will pay for **loss** under **Coverage A** or **Coverage B** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

We have no obligation under **Coverage A** and/or **Coverage B** with respect to any settlement made without our consent.

The insurance afforded under **Coverage A** and **Coverage B** applies to **bodily injury or property damage** only if prior to the policy period, no **designated insured** knew that the **bodily injury or property damage** had occurred, in whole or in part. If such a **designated insured** knew, prior to the policy period, that the **bodily injury or property damage** occurred, then any continuation, change or resumption of such **bodily injury or property damage** during or after the policy period will be deemed to have been known prior to the policy period.

Bodily injury or **property damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **designated insured** includes any continuation, change or resumption of that **bodily injury** or **property damage** after the policy period; and

Bodily injury or **property damage** will be deemed to have been known to have occurred at the earliest time when any **designated insured**:

1. Reports all, or any part, of the **bodily injury** or **property damage** to us or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the **bodily injury** or **property damage**; or
3. Becomes aware by any other means that **bodily injury** or **property damage** has occurred or has begun to occur.

C. Coverage C - Casualty Business Crisis Expense

Under **Coverage C**, we will pay for **casualty business crisis expense** regardless of fault arising from a **casualty business crisis** first commencing during the policy period. No **underlying insurance** or **Retained Limit** applies to **Coverage C**. Subject to the other terms and conditions of this coverage, we shall pay **casualty business crisis expense** from the first dollar of such expense.

The amount we will pay for **casualty business crisis expense** under **Coverage C** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

Any amounts that we pay under **Coverage C** will not obligate us in any way under **Coverage A** or **Coverage B**.

SECTION II. LIMITS OF INSURANCE

A. With respect to **Coverage A** and **Coverage B**, the Limits of Insurance shown in the Declarations and the rules below describe the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made or **suits** brought;
3. Coverages provided under this policy; or
4. Persons or organizations making claims or bringing **suits**.

B. The Limits of Insurance of this policy will apply as follows:

1. The limit stated in Item **4.B.** of the Declarations for the Other Aggregate is the most we will pay for all **loss** under **Coverage A** and **Coverage B** combined except for:
 - a. **Loss** covered under the **products-completed operations hazard**; and
 - b. **Loss** covered in **underlying insurance** to which no underlying aggregate limit applies.

In addition, with respect to **Coverage A** only, if a policy listed on the Schedule of Underlying Insurance contains aggregate limits, other than an aggregate limit applying to the **products-completed operations hazard**, the Other Aggregate limit stated in Item **4.B.** of the Declarations will apply in the same manner as such other aggregate limits of each policy listed in the Schedule of Underlying Insurance.

2. The limit stated in Item **4.C.** of the Declarations for the Products-Completed Operations Aggregate is the most we will pay for all **loss** under both **Coverage A** and **Coverage B** combined as a result of **bodily injury** or **property damage** included within the **products-completed operations hazard**.
3. Subject to Paragraph **B.1.** or **B.2.** above, whichever applies, the limit stated in Item **4.A.** of the Declarations for Occurrence is the most we will pay for all **loss** arising out of any one **occurrence**, even if such **loss** is covered, in whole or in part, under both **Coverage A** and **Coverage B**.

C. **Coverage A** applies only in excess of the greater of the actual Limits of Insurance of **underlying insurance** or the Limits of Insurance shown on the Schedule of Underlying Insurance forming a part of this policy.

D. With respect to **Coverage C**, the limit stated as the **Casualty Business Crisis Expense** Aggregate Limit in Item **4.D.** of the Declarations is the most we will pay for all **casualty business crisis expense** first commencing during the policy period. This limit is in addition to, and **casualty business crisis expense** does not reduce or exhaust, any other Limit of Insurance applicable to this policy.

- E. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.
- F. With respect to **Coverage A** only and subject to paragraphs **B.1.**, **B.2.**, **B.3.** and **C.** above:
 - 1. If the limits of **underlying insurance** have been reduced solely by payment of **loss** for which coverage is afforded under this policy, this policy will drop down to become immediately excess of the reduced underlying limit; or
 - 2. If the limits of **underlying insurance** have been exhausted solely by payment of **loss** for which coverage is afforded under this policy, this policy will continue in force as **underlying insurance**.

SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS

- A. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy:
 - 1. Under **Coverage A**, when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy; or
 - 2. Under **Coverage B**, when damages are sought for **bodily injury, property damage, or personal and advertising injury** to which no **underlying insurance** or **other insurance** applies.
- B. Under **Coverage C**, we do not assume any duty to control the investigation and settlement of any claim, or defense of any **suit** that may arise from a covered **casualty business crisis**.
- C. In those circumstances where paragraph **A.** above applies we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:
 - 1. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds.
 - 2. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds.
 - 3. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off from work.
 - 4. All court costs taxed against the **insured** in the **suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **insured**.
 - 5. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
 - 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

When our expenses and the payments described in paragraph **C.** above are not included in the definition of **loss**, they will not reduce the Limits of Insurance.

- D. In those circumstances where paragraph **A.** above does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of **Section III.** Paragraph **A.** above, we will pay any expense incurred with our consent.

SECTION IV. EXCLUSIONS

- A. Under **Coverage A** and **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense:

ASBESTOS

- 1. Arising out of or relating in any way to:

- a. Asbestos or which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- b. Any:
 - (1) Request, demand, order, statutory or regulatory requirement, direction or determination, that any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - (2) Claim or **suit** for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination than any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos.

EMPLOYMENT PRACTICES

2. Arising out of any **bodily injury** or **personal and advertising injury** to:

- a. A person arising out of any:
 - (1) Failure to employ or promote that person;
 - (2) Termination of that person's employment, including actual or alleged constructive dismissal;
 - (3) Employment-related practices, policies, acts or omissions, including but not limited to injury arising from coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, retaliation, hostile work environment, discrimination or malicious prosecution directed at that person; or
- b. The spouse, domestic partner, child, parent, brother or sister of that person as a consequence of any **bodily injury** or **personal and advertising injury** to that person at whom any of the employment related practices described in subparagraphs (1), (2) or (3) above is directed.

This exclusion applies:

- a. Whether the injury causing event described in paragraph **2.a.** above occurs before employment, during employment or after employment of that person;
- b. Whether the **insured** may be held liable as an employer or in any other capacity; or
- c. To any obligation to share damages with or repay someone who must pay damages because of the injury.

LAWS, MISCELLANEOUS

3. Under any of the following:

- a. Any uninsured/underinsured motorist or **auto** no-fault or first party personal injury law;
- b. Any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
- c. The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

LOSS OF, OR LOSS OF USE OF INTANGIBLE PROPERTY

4. Arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate or process intangible property. For purposes of this insurance, **electronic data** is intangible property.

NUCLEAR

5. a. With respect to which any **insured** under this policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its Limits of Insurance; or
- b. Resulting from the **hazardous properties of nuclear material** and with respect to which:
 - (1) A person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or

- (2) Any **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- c. Any injury or **nuclear property damage** resulting from the **hazardous properties of nuclear material**, if:
- (1) The **nuclear material**:
 - (a) Is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - (b) Has been discharged or dispersed therefrom;
 - (2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **insured**; or
 - (3) The injury or **nuclear property damage** arises out of the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (3) applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

As used in this exclusion:

- a. **Hazardous properties** include radioactive, toxic or explosive properties.
- b. **Nuclear Facility** means:
 - (1) Any **nuclear reactor**;
 - (2) Any equipment or device designed or used for:
 - (a) Separating the isotopes of uranium or plutonium,
 - (b) Processing or utilizing **spent fuel**, or
 - (c) Handling, processing or packaging **waste**;
 - (3) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of any **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- c. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**.
- d. **Nuclear property damage** includes all forms of radioactive contamination of property.
- e. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- f. **Source material**, **special nuclear material** and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- g. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.
- h. **Waste** means any waste material:
 - (1) Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
 - (2) Resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**.

VIOLATION OF STATUTES

6. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:
 - a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA) and any amendment or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
- d. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

WAR AND MILITARY ACTION

7. Arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that contributes concurrently or in any sequence to injury or damage.

B. Under **Coverage A** this policy does not apply to any liability, damage, **loss**, cost or expense:

POLLUTION

1. Arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**. However, this subparagraph does not apply to:
 - (1) Bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2) Bodily injury or property damage for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to **underlying insurance** as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that additional insured; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**;
- b. At or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
- c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you maybe legally responsible; or
- d. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor. However, this subparagraph does not apply to:
 - (1) Bodily injury or property damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operation fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the bodily injury or property damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (2) Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor;

- (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.
- e. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
- f. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, any auto for which coverage is provided by **underlying insurance**;
 - (2) Otherwise in the course of transit by or on behalf of any **insured**; or
 - (3) Being stored, disposed of, treated or processed in or upon any auto.

However, this subparagraph **f.** does not apply to bodily injury or property damage arising out of:

- (i) The escape of fuels, lubricants, other operating fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto; or
 - (ii) The escape of **pollutants** from a covered auto that directly results from the collision, upset or overturn of such auto while in the course of transit away from any premises owned by or rented to any **insured**.
2. Arising out of any:
- a. Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
 - b. Claim or **suit** brought by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

C. Under Coverage B this policy does not apply to:

AIRCRAFT, AUTOS OR WATERCRAFT

- 1. Any liability, damage, **loss**, cost or expense arising out of the ownership, maintenance, operation, use, loading or unloading or entrustment to others of any
 - a. Aircraft owned by you or rented, loaned or chartered by or on behalf of you without crew;
 - b. **Auto**; or
 - c. Watercraft owned by you except watercraft while ashore on premises you own or rent.

This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **insured**.

EMPLOYEE INJURY

- 2. Any injury to:
 - a. An **employee** of the **insured** arising out of and in the course of:
 - (1) Employment by the **insured**; or
 - (2) Performing duties related to the conduct of the **insured's** business; or
 - b. Any injury to the spouse, domestic partner, child, parent, brother, or sister of that **employee** as a consequence of exclusion **2.a.** above.

This exclusion applies whether the **insured** may be liable as an employer or in any other capacity, or to any obligation to share damages with or repay someone else who must pay damages because of an injury.

IMPAIRED PROPERTY

- 3. **Property damage to impaired property** or property that has not been physically injured arising out of:
 - a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or

- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

INTENTIONAL INJURY

- 4. **Bodily injury** or **property damage** expected or intended from the standpoint of the **insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

PERSONAL and ADVERTISING INJURY

5. Personal and advertising injury:

- a. Caused by or at the direction of the **insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**;
- b. Arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of any **insured**;
- e. For which the **insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement;
- f. Arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**;
- g. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **advertisement**;
- h. Arising out of the wrong description of the price of goods, products or services stated in your **advertisement**;
- i. Arising out of the infringement of copyright, patent, trademark, trade secret, trade dress, slogan or other intellectual property rights.

However, this exclusion does not apply to infringement of copyright, trade dress or slogan in your **advertisement**;

- j. Committed by an **insured** whose business is:
 - (1) Advertising, broadcasting, publishing, electronic publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access or content provider.

However, this exclusion **5.j.**, does not apply to sub-paragraphs **C.**, **12. a.**, **b.**, **c.** and **h.** of **personal and advertising injury** under **SECTION V. DEFINITIONS**.

For purposes of this exclusion **5.j.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- k. Arising out of an electronic chatroom or bulletin board the **insured** hosts, owns or over which the **insured** exercises control; or
- l. Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

POLLUTION

6. Any liability, damage, **loss**, cost or expense:

- a. Arising directly or indirectly out of the actual, alleged or threatened existence, discharge, seepage, migration, dispersal, release or escape of **pollutants**; or
- b. Arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
- (2) Claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

PRODUCT RECALL

7. Damages claimed for any **loss**, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. **Your product**;
- b. **Your work**; or
- c. **Impaired property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

PROPERTY DAMAGE

8. **Property damage** to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any person or organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises you sell, give away or abandon if the **property damage** arises out of any part of those premises;
- c. Property loaned to you;
- d. Personal property in your care, custody or control;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it;
- g. **Your product** arising out of it or any part of it; or
- h. **Your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

- D. Under **Coverage C**, this policy does not apply to any **casualty business crisis** arising out of, based upon or attributable to:

PRIOR NOTICE

1. Facts alleged, or to the same or related acts alleged or contained, in any crisis, claim or **suit** that has been reported, or in any circumstances where notice has been given under any policy of which this policy or any **underlying insurance** is a renewal or replacement; or

PENDING OR PRIOR CRISIS CLAIM OR SUIT

2. Any pending or prior claim or **suit** as of the inception date of this policy.

SECTION V. DEFINITIONS

In this policy, words and phrases appearing in bold face type have the definitions shown below.

- A. The following definitions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Designated insured** means:

- a. The person(s) and organization(s) specifically described under **SECTION V. DEFINITIONS**, sub-paragraphs **C.6.a.** through **C.6.e.** below for any **insured**; or
- b. Any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit**.

2. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
3. **Loss** means those sums actually paid that the **insured** is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense, after making proper deductions for all recoveries and salvage. However:
 - a. Under **Coverage A**:
 - (1) **Loss** also includes defense expenses and supplementary payments if **underlying insurance** includes defense expenses and supplementary payments in the Limits of Insurance; and
 - (2) **Loss** does not include defense expenses and supplementary payments if **underlying insurance** does not include defense expenses and supplementary payments in the Limits of Insurance.
 - b. Under **Coverage B**, **loss** does not include defense expenses and supplementary payments.
4. **Other insurance** means a policy of insurance providing coverage that this policy also provides. **Other insurance** includes any type of self-insurance or other mechanisms by which an **insured** arranges for funding of legal liabilities.
Other insurance does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy providing coverage that this policy also provides.
5. **Pollutants** mean any man-made or naturally occurring solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke; vapor; soot; fumes; acids; alkalis; chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
6. **Suit** means a civil proceeding in which injuries or damages to which this insurance applies are alleged. **Suit** includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the **insured** must submit pursuant to law or contract or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.
7. **Underlying insurance** means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy. We will only be liable for amounts in excess of the Limits of Insurance shown in the Schedule of Underlying Insurance for any **underlying insurance**.

B. The following definitions are applicable to **Coverage A** only:

1. **Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
2. **Insured** means:
 - a. You;
 - b. Any person or organization included as an **insured** in **underlying insurance**; and
 - c. Any person or organization qualifying as an additional **insured** in **underlying insurance** but only to the same extent that such person or organization is an additional **insured** under such **underlying insurance**.
3. **Non-Admitted Jurisdiction** means:
 - a. Any country or political subdivision in which we are not licensed or permitted to insure risks and where doing so would violate the insurance laws and regulations of such jurisdiction; or
 - b. Any country or political subdivision where we are prevented by law from investigating, defending or settling an **occurrence** or **suit**.
4. **Occurrence** means a covered event as defined in **underlying insurance**.
5. **Qualified Entity** means any entity, person or organization that is not an **insured** under this policy and would qualify as an **insured** under this policy, but for the fact that the entity is registered, domiciled or has ongoing operations in a **non-admitted jurisdiction**.

C. The following definitions are applicable to **Coverage B** only:

1. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For purpose of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding websites, only that part of a website that is about your goods, products or services for the purpose of attracting customers or supporters is considered an **advertisement**.
2. **Auto** means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, **auto** does not include **mobile equipment**.
3. **Bodily injury** means physical injury, sickness, or disease, including death of a person. **Bodily injury** to such person also means mental anguish, mental injury, humiliation, or shock if directly resulting from physical injury, sickness, or disease.
4. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
5. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

 - a. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - b. Your fulfilling the terms of the contract or agreement.
6. **Insured** means:
 - a. You, if you are an organization shown in the Declarations, other than a partnership, joint venture or limited liability company. Your executive officers and directors are **insureds**, but only with respect to their duties as your executive officers or directors. Your stockholders are also **insureds**, but only with respect to their liability as stockholders;
 - b. You, if you are a partnership or joint venture shown in the Declarations. Your members, your partners, and their spouses or domestic partners are also **insureds**, but only with respect to the conduct of your business;
 - c. You and your spouse or domestic partner, if you are an individual shown in the Declarations, but only with respect to the conduct of a business of which you are the sole owner;
 - d. You, if you are a limited liability company shown in the Declarations. Your members are also **insureds**, but only with respect to the conduct of your business. Your managers are **insureds**, but only with respect to their duties as your managers;
 - e. You, if you are a trust shown in the Declarations. Your trustees are also **insureds**, but only with respect to their duties as trustees;
 - f. Your **employees**, but only for acts within the scope of their employment by you;
 - g. Your **volunteer workers**, but only while performing duties related to the conduct of your business;
 - h. Any person or organization while acting as your real estate manager; or
 - i. Your legal representative if you die, but only with respect to duties as such.

No person or organization is an **insured** with respect to the conduct of any current, past or newly formed partnership, limited liability company or joint venture that is not designated within the Declarations of this policy as **Named Insured**.

7. **Insured contract** means any written or oral agreement entered into by the **insured** in the usual course of the business operations of the **insured** in which the **insured** assumes the tort liability of another to pay damages because of **bodily injury** or **property damage** to a third person or organization where the contract or agreement is made prior to the injury or damage. Liability means a liability that would be imposed by law in the absence of any contract or agreement.
8. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
9. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
 - e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers.
 - f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but are considered **autos**:

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on an **auto** or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

10. **Named insured** means:
 - a. The person(s) and organization(s) designated in Item **1.** of the Declarations of this policy;
 - b. Any organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply, other than one which you newly acquire or form; or

- c. Any newly acquired or formed organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply; provided that this policy does not apply to any injury or damage that took place before you acquired or formed the organization.

11. Occurrence means:

- a. With respect to **bodily injury** or **property damage** liability, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- b. With respect to **personal and advertising injury**, a covered offense. All damages that arise from the same act, publication or general conditions are considered to arise out of the same **occurrence**, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.

12. Personal and advertising injury means injury, including consequential **bodily injury**, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your **advertisement**;
- g. Infringement upon another's copyright, trade dress or slogan in your **advertisement**; or
- h. Discrimination (unless insurance thereof is prohibited by law), not arising out of or related to employment practices.

Personal and advertising injury also means mental anguish, mental injury, humiliation, or shock, if directly resulting from an offense listed in Items **12.a.** through **12.h.** above.

13. Products-completed operations hazard means all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:

- a. Products that are still in your physical possession; or
- b. Work that has not yet been completed or abandoned. **Your work** will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in your contract has been completed;
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **bodily injury** or **property damage** arising out of:

- a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the loading or unloading of it by any **insured**; or
- b. The existence of tools, uninstalled equipment or abandoned or unused materials.

14. Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.

15. **Retained limit** means the amount of damages applicable to each **occurrence** for which the **insured** is responsible that is shown in Item 5. of the Declarations.
16. **Temporary worker** means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.
17. **Volunteer worker** means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

18. **Your product** means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and
- b. The providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for use of others but not sold.

19. **Your work** means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- b. The providing of or failure to provide warnings or instructions.

D. The following definitions are applicable to **Coverage C** only:

1. **Casualty business crisis** means an event that in the good faith opinion of your **principal**, in the absence of **casualty business crisis services**, has been or may be associated with:

- a. Damages covered by this policy under **Coverage A** that are in excess of the applicable limits of **underlying insurance** or under **Coverage B** that are in excess of the **Retained Limit**; and
- b. Significant adverse regional or national media coverage.

Casualty business crisis shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths or injuries, burns, dismemberment, traumatic brain injury, paraplegia, or contamination of food, drink or pharmaceuticals.

For purposes of **Coverage C**, a **casualty business crisis** will first commence when your **principal** first become aware of the **occurrence** and will conclude at the earliest of the time when the **casualty business crisis advisor** advises you that the crisis no longer exists or when the **Casualty Business Crisis Expense** Aggregate Limit has been exhausted.

2. **Casualty business crisis advisor** means any public relations firm or crisis management firm approved by us that is hired by you to perform **casualty business crisis services** in connection with a **casualty business crisis**.

3. **Casualty business crisis expense** means amounts paid:

- a. To you for the reasonable and necessary:
 - (1) Fees and expenses of a **casualty business crisis advisor** in the performance for you of **casualty business crisis services** solely for a covered **casualty business crisis**; and
 - (2) Amounts for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a **casualty business crisis advisor** solely for a **casualty business crisis**; and
 - b. To others for the following reasonable and necessary expenses resulting from such covered **casualty business crisis** provided that such expenses have been approved by us:
 - (1) Medical expenses;
 - (2) Funeral expenses;
 - (3) Psychological counseling;
 - (4) Travel expenses;
 - (5) Temporary living expenses;
 - (6) Expenses to secure the scene of a **casualty business crisis**; and
 - (7) Any other expenses pre-approved by us.
4. **Casualty business crisis services** means those services performed by a **casualty business crisis advisor** in advising you on minimizing potential harm to you from a covered **casualty business crisis** by maintaining or restoring public confidence in you.
5. **Principal** means your Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if you are a partnership) or sole proprietor (if you are a proprietorship).

SECTION VI. CONDITIONS

A. The following Conditions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Appeals**

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the **underlying insurance**, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II.** of this policy.

2. **Audit of Books and Records**

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three (3) years after the expiration or termination of this policy.

3. **Bankruptcy or Insolvency**

The bankruptcy, insolvency or inability to pay of any **insured** will not relieve us from our obligation to pay damages covered by this policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such **underlying insurance**, but will apply as if all the limits of any **underlying insurance** are fully available and collectible.

4. **Cancellation and Nonrenewal**

a. **Cancellation**

- (1) You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for cancellation, as well as the date when the cancellation is to take effect. Mailing notice to you at your mailing address shown in Item 2. of the Declarations will be sufficient to prove notice.

- (3) The policy period will end on the day and hour stated in the cancellation notice.
- (4) If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
- (5) Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

b. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the first **Named insured** shown in the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy.

6. Currency

Settlements will be paid in United States currency or, when required, in the currency of the country or jurisdiction where the **loss** or **casualty business crisis** occurred. When conversion into another currency from United States currency is required to pay any **loss** or **casualty business crisis expense**, the rate of exchange will be determined on the date of the settlement. The rate of exchange will be the rate we incur in obtaining the foreign currency.

7. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first **Named Insured** will act on behalf of all other **insureds** for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation, for the receipt and acceptance of this policy and any endorsements forming a part of this policy, and for the receiving of any return premiums that become payable under this policy.

8. Inspection

We have the right, but are not obligated to inspect the **insured's** premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

9. Entities That Are Registered, Domiciled or Have Ongoing Operations in Non-Admitted Jurisdictions

This condition applies solely with respect to entities that are registered, domiciled or have ongoing operations in **non-admitted jurisdictions**.

With respect to a **qualified entity**:

- a. Under **Coverage A**, we will reimburse the first **Named Insured** for **loss** incurred by a **qualified entity** that would have been covered this policy but for the fact that the **loss** was incurred by a **qualified entity** including:

- (1) Damages covered by this policy in excess of the total applicable limits of **underlying insurance**; and
- (2) Reasonable defense expenses incurred with our consent.

We have no duty to defend any person or organization against any claim or **suit** brought or proceeding instituted against any **qualified entity** in a **non-admitted jurisdiction**, but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.

- b. Coverage under this policy will not apply until the **qualified entity** or the **qualified entity's** underlying insurer has paid or is obligated to pay the full amount of the applicable limits of **underlying insurance**.

- c. The duties and requirements imposed upon any **insured** under this policy will not apply to any **non-admitted jurisdiction**. However, with respect to any claims made or **suits** brought in a **non-admitted jurisdiction**, it will be the duty of the first **Named Insured** to do or cause the applicable **qualified entity** to do such things as would be required of such **qualified entity** if **Coverage A** applied directly to such claim or **suit**, including:
- (1) Make such investigation, defense or settlement as we deem reasonable;
 - (2) Obtain our approval for any payment; and
 - (3) Effect approved payments to others, in accordance with the terms and conditions of this insurance.
- d. Under **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any operations or activities of a **qualified entity**.
- e. We will promptly pay the first **Named Insured** at the mailing address listed in Item **2.** of the Declarations the amount of damages covered under the terms of this policy. If the first **Named Insured** or any **qualified entity** recovers from any third party all or part of any amount that we have paid pursuant to this insurance, the first **Named Insured** will promptly reimburse the amount of any such recovery to us.

10. Legal Action Against Us

There will be no right of action against us under this insurance unless:

- a. You have complied with all the terms of this policy; and
- b. The amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

11. Maintenance of Underlying Insurance

During the period of this policy, you agree:

- a. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- b. That the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of limits by payment of claims or **suits** for damages covered by **underlying insurance**;
- c. The policies listed in the Schedule of Underlying Insurance may not be canceled or not renewed by you without notifying us, and you agree to notify us in the event an insurance company cancels or declines to renew any policy listed in the Schedule of Underlying Insurance; and
- d. Renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be materially changed without our agreement.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

12. Miscellaneous Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this policy, shall not invalidate or affect the coverage for those operations or premises. However, the **insured** must report such error or omission to the company as soon as practicable after its discovery.

13. Other Insurance

If **other insurance** applies to damages that are also covered by this policy, this policy will apply excess of the **other insurance**. However, this provision will not apply:

- a. If the **other insurance** is written to be excess of this policy; or
- b. With respect to **Coverage A** only, if the **named insured** has agreed in a written contract to carry insurance to apply prior to and be non-contributory with that of another person or organization's insurance, but only as respects damages arising out of insured operations or work on behalf of the **named insured** performed under such written contract. The limits available to the other person or organization will be the lesser of the policy limits or the minimum limits required by such written contract. In that case, **other insurance** of that person or organization will apply as excess and not contribute prior to the insurance afforded by this policy.

Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such **other insurance**.

14. Premium

The premium for this policy as stated in Item **6.** of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

15. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first **Named Insured**, this insurance applies:

- a. As if each **named insured** were the only **named insured**; and
- b. Separately to each **insured** against whom claim is made or **suit** is brought.

16. Terms Conformed to Statute

The terms of this policy which are in conflict with the statutes, laws, ordinances or regulations in any country, jurisdiction, state or province where this policy is issued are amended to conform to such statutes, laws, ordinances or regulations. If we are prevented by law or statute from paying on behalf of the **insured**, then we will, where permitted by law or statute, indemnify the **insured**.

17. Transfer of Rights of Recovery Against Others to Us

- a. If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after the **loss** to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

However, if any **insured** is required by a written contract or agreement which is executed before a **loss** to waive their rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations for which the **insured** has not waived their rights of recovery by contract.

- b. Any amount recovered will be apportioned in the inverse order of payment of **loss** to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

18. Transfer of Your Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property.

19. When Loss is Payable

Coverage under this policy will not apply until the **insured**, or the **insured's** underlying insurer has paid or is legally obligated to pay the full amount of the Underlying Limits of Insurance or **Retained Limit**.

When the amount of **loss** is determined by an agreed settlement or on a final judgment against an **insured** obtained after an actual trial, we will promptly pay on behalf of the **insured** the amount of **loss** covered under the terms of this policy. The first **Named Insured** will promptly reimburse us for any amount within the **Retained Limit** paid by us.

20. Violation of Economic or Trade Sanctions

If coverage for a claim or **suit** under this policy is in violation of any economic or trade sanctions of the United States of America then coverage for that claim or **suit** will be null and void.

B. The following Condition is applicable to Coverage A and Coverage B:

1. Notice of Occurrence, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in damages covered by this policy.

To the extent possible, notice will include:

- (1) How, when and where the **occurrence** took place;

- (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the **occurrence**.
 - b. Knowledge of an **occurrence** by the agent, servant or **employee** of yours, shall not in itself constitute knowledge by the **insured** unless you, or any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit** shall have received such notice from the agent, servants or **employee**.
 - c. If a claim or **suit** against any **Insured** is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
 - d. You and any other involved **insured** must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
 - e. The **insureds** will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
 - f. Your failure to give notice of an **occurrence** to us shall not invalidate coverage under this policy if the **occurrence** was inadvertently reported to another Insurer. However, you shall report any such **occurrence** to us as soon as practicable once you become aware of such error.
- C. The following Conditions are applicable to **Coverage C**:

1. **Notice of a Casualty Business Crisis**

You must see to it that we are notified of a **casualty business crisis** as soon as practicable after it first commences. Such notice shall include a description of the **casualty business crisis** and the reason it is likely to involve damages covered by this policy in excess of the applicable limits of **underlying insurance** under **Coverage A** or **Retained Limit** under **Coverage B** and significant adverse regional or national media coverage. We will not be liable for **casualty business crisis expense** incurred prior to, or more than one hundred eighty (180) days after the date notice of such **casualty business crisis** is first given to us. Notice to us shall be given to Zurich Claim Reporting, Care Center, P.O. Box 49547, Colorado Springs, CO 80949, Phone 1-800-987-3373, Fax 1-877-962-2567, E-Mail USZ Care Center@Zurichna.com.

2. **Arbitration**

If you and we disagree as to whether a **casualty business crisis** has occurred, both parties may, by mutual consent agree in writing to arbitration of the disagreement and the right to any reimbursement for **casualty business crisis expense**.

In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

- a. Pay the expenses it incurs; and
- b. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the state, county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

Endorsement # 01



Care, Custody Or Control Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. Middlefield Rd.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** this policy does not apply to property damage to:

Under Coverage A this policy does not apply to property damage to: Real and/or Personal Property of others in the care, custody or control of the ins

of others in the care, custody or control of the **insured**.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Endorsement # 02



Employee Benefits Liability Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense imposed on any **insured** as a Fiduciary Administrator, or other party in interest arising out of any **Employee Benefits Program**, record handling in connection with any **Employee Benefits Program**, or effecting or terminating any employee's participation in any plan included in any "**Employee Benefits Program**".

As used in this endorsement:

Employee Benefits Program means any group life insurance, group accident or health insurance, profit sharing plans, pension plans, stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits and any other similar plans.

Endorsement # 03



Foreign Operations Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. Middlefield Rd.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **insured's** operations or activities outside of the United States of America (including its territories and possessions), Puerto Rico or Canada whether or not the **insured's** responsibility to pay damages is determined in a **suit** on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.

Endorsement # 04



Lead Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
A. Under Coverage A and Coverage B this policy does not apply to:

1. Any liability, damage, **loss**, cost or expense arising out of, resulting from, caused by or contributed to by toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with paragraphs **1.** or **2.** above; or
4. Any obligation to share damages with or repay anyone else who must pay damages in connection with paragraphs **1.**, **2.**, or **3.** above.

Endorsement # 05



Personal and Advertising Injury Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. Middlefield Rd.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **personal and advertising injury** offense.

Endorsement # 06



Fungus or Bacteria Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** and **Coverage B** this policy does not apply to any liability, damage, **loss**, cost or expense:

- A.** Caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. Fungi, or bacteria; or**
 - 2. Substance, vapor or gas produced by or arising out of any fungi or bacteria.**
- B.** Arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, **fungi or bacteria**, by any **insured** or by any other person or entity.

Definitions

As used in this endorsement:

- 1. Bacteria** means any type or form of bacteria and any materials or substances that are produced or released by bacteria.
- 2. Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, **spores**, scents or by-products produced or released by fungi.
- 3. Spores** means reproductive bodies produced by or arising out of **fungi**.

This exclusion does not apply to any **fungi or bacteria** that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Endorsement # 07



ZURICH®

Technology Errors and Omissions Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, **damages, loss**, cost or expense arising out of:

1. The failure of **your product** to perform the function or serve the purpose intended;
2. The performance or nonperformance of **your work**;
3. Purchase or contract price for **your product** or **your work**;
4. Disgorgement of profits, restitution, or any money or credits that represent any gain, profit, or advantage to which you are not legally entitled; or
5. Criminal or civil penalties.

As used in this endorsement the following definitions apply:

1. **Damages** means a monetary amount to compensate for a **wrongful act**.
2. **Wrongful act** means an error or omission by or on behalf of any **insured**.
3. **Your product** means
 - a. Any goods or products manufactured, developed, designed, created, sold, handled, licensed, marketed, distributed, or disposed of by you or on your behalf, including but not limited to:
 - 1) Computer software or computer programming;
 - 2) Electronic or computer equipment, components, or peripherals;
 - 3) Telecommunications or broadcasting equipment; or
 - 4) Industrial or robotic equipment; and
 - b. Containers (other than vehicles), materials, parts, or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your product**; and
- b. The providing of or failure to provide warnings or instructions.

4. Your work means:

- a.** Work or operations performed by you or on your behalf, including but not limited to:
 - 1)** Installation, service, technical support, system integration, maintenance, repair, consulting, or analysis of:
 - a)** Computer software or computer programming;
 - b)** Electronic or computer equipment, components, or peripherals;
 - c)** Telecommunications or broadcasting equipment; or
 - d)** Industrial or robotic equipment;and any training services provided in conjunction with the above activities;
 - 2)** Electronic processing, management, mining, or warehousing of data or records for others;
 - 3)** Providing multimedia services, including but not limited to:
 - a)** Television broadcasting;
 - b)** Cable and satellite broadcasting;
 - c)** Radio broadcasting;
 - d)** Electronic broadcasting;
 - e)** Internet access; or
 - f)** Website design;
 - 4)** Providing telecommunication services, including but not limited to:
 - a)** Wire based telecommunications;
 - b)** Wireless telecommunications; or
 - c)** Paging services; and
 - 5)** Administration, management, operation, or hosting of systems, technology, or computer facilities for another person or organization; and
- b.** Materials, parts, or equipment furnished in connection with such work or operations.

Your work includes:

- a.** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your work**; and
- b.** The providing of or failure to provide warnings or instruction.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Important Notice - In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8 a.m. - 4 p.m. [CT])
Email: info.source@zurichna.com

**ZURICH**[®]

Cap On Losses From Certified Acts Of Terrorism

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Agribusiness Pollution Liability Insurance Policy - Claims Made and Reported Coverage
Environmental Cleanup and Liability Insurance Policy - Claims Made and Reported Coverage
Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage
Environmental Services Package Policy
Excess Environmental Insurance Policy - Claims Made and Reported Coverage
Healthcare Pollution Liability Insurance Policy - Claims Made and Reported Coverage
Public Entity Pollution Liability - Claims Made and Reported Coverage
Real Estate Environmental Liability Insurance Policy - Claims Made and Reported Coverage
Remediation Stop Loss
Z Choice Pollution Liability
Lender Environmental Collateral Protection and Liability Insurance Policy – Claims Made and Reported Coverage
Lender Environmental Collateral Protection and Liability Insurance Outstanding Loan Balance - Claims Made and Reported Coverage
Follow Form Excess Liability Policy
Follow Form Excess Liability Policy – Claims Made and Reported Coverage
Commercial Umbrella Liability Policy
Commercial Umbrella Liability Policy – Claims Made and Reported Coverage

A. Cap on Losses From Certified Terrorism Losses

“Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act (“TRIA”). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusion

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.



California Cancellation and Nonrenewal Endorsement ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, a. Cancellation, paragraph (2), is deleted and replaced with the following:

- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you at the address shown on your policy not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for the cancellation and stating when the cancellation is to take effect. Mailing or delivery of the notice of cancellation to you shall be deemed to have been given to all **insureds**.
- (a) If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy we issued, we may cancel this policy for any reason.
- (b) If this policy has been in effect for sixty (60) days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy for one or more of the following reasons:
- i. Non-payment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks;
 - ii. Discovery of fraud or material misrepresentation by any **insured** or his or her representative in obtaining this insurance or in pursuing a claim under this policy;
 - iii. A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against;
 - iv. Discovery of willfully or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against;
 - v. Failure by you or your representative to implement reasonable loss control requirements, agreed to as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against;
 - vi. A determination by the Commissioner of Insurance that the loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency;
 - vii. A determination by the Commissioner of Insurance that continuation of the policy coverage would place us in violation of California law or the laws of the state where we are domiciled or threaten our solvency;

- viii. A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased, or changed risk is included in the policy;
 - ix. A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies;
 - x. Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse;
 - xi. A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.
- (c) If we cancel for non-payment of premium, you may continue coverage and avoid the effect of cancellation by payment in full at any time prior to the effective date of cancellation.

B. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, b. Nonrenewal, is deleted and replaced with the following:

b. Nonrenewal

- (1) If we decide not to renew this policy, we will mail or deliver notice of nonrenewal at least sixty (60) days, but not more than one hundred, twenty (120) days before the expiration date of this policy. Such notice will be mailed or delivered to you at the mailing address last known to us, and to the producer of record (if any). Proof of mailing will be sufficient proof of notice. Mailing or delivery of the notice of nonrenewal shall be deemed to have been given to all **insureds**.
- (2) We need not provide notice of nonrenewal if:
 - (a) The transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group;
 - (b) The policy has been extended for ninety (90) days or less, provided that notice has been given in accordance with paragraph (1);
 - (c) You have obtained replacement coverage, or if you have agreed, in writing, within sixty (60) days of the termination of the policy, to obtain that coverage;
 - (d) The policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed;
 - (e) You request a change in the terms or conditions or risks covered by the policy within sixty (60) days of the end of the policy;
 - (f) We have made a written offer to you, in accordance with paragraph (1), to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%;
 - (g) The policy has been designated as nonrenewable.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 08

Exclusion - Collection or Distribution of Material or Information in Violation of Law



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-01	09/01/2013	09/01/2014	09/01/2013	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. Middlefield Rd.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Exclusion **A. 6. VIOLATION OF STATUTES** under **SECTION IV. EXCLUSIONS** is deleted and replaced by the following:

Under **Coverage A** and **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense:

COLLECTION OR DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW

- 6.** Directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:
- The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - The Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
 - Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA, and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

EXHIBIT G



Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.



THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY.

THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE OF PREMIUM (RELATING TO DISPOSITION OF TRIA)

SCHEDULE*

(1) Premium attributable to risk of loss from certified acts of terrorism through the end of the policy period based on the extension of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Extension Act of 2005, ("TRIA") for lines subject to TRIA and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA):

\$866

If TRIA terminates, the portion of this premium attributable to the remaining part of the policy period, as modified by any change shown in **(2)** of this Schedule, applies to the risk of loss from terrorism after the termination of TRIA.

(2) Premium change upon termination of TRIA or upon applicability of a Conditional Endorsement:

No change unless one of the following is completed -

Return Premium: **N/A**

Additional Premium: **N/A**

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of your premium attributable is shown in the Schedule of this endorsement or in the Declarations.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The Act currently provides for no insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year. The federal program established by the Act is scheduled to terminate at the end of

December 31, 2014 unless extended by the federal government.

C. Possibility of Additional or Return Premium

The premium attributable to the risk of loss from certified acts of terrorism coverage is calculated based on the coverage (if any) in effect at the beginning of your policy for certified acts of terrorism. If your policy contains a Conditional Endorsement, the termination of TRIA or extension of the federal program with certain modifications (as explained in that endorsement) may modify the extent of coverage (if any) your policy provides for terrorism. If TRIA terminates or the Conditional Endorsement becomes applicable to your policy, the return premium (if any) or additional premium (if any) shown in (2) of the Schedule will apply. If the level or terms of federal participation change, the premium shown in (1) of the Schedule attributable to that part of the policy period extending beyond such a change may not be appropriate and we will notify you of any changes in your premium.



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Commercial Umbrella Liability Policy

Declarations

Insurance is provided by the company below.

American Guarantee and Liability Insurance Company

Policy Number: AUC 5912288-02

Renewal of Number: AUC 5912288-01

1. Named Insured: OMNICELL, INC

**Producer: MARSH RISK & INSURANCE
SERVICES**

**2. Mailing Address: 590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337**

**1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508**

Email Address:

annmarie.torio@marsh.com

3. Policy Period: From: 09/01/2014 To: 09/01/2015
at 12:01 A.M. Standard Time at the address of the Named Insured.

4. Limits of Insurance:

A. \$25,000,000	Occurrence
B. \$25,000,000	Other Aggregate
C. \$25,000,000	Products/Completed Operations Aggregate
D. \$250,000	Casualty Business Crisis Aggregate Limit

5. Retained Limit: \$0 Occurrence

6. Policy Premium:

Advance Premium \$44,166

Policy Minimum Earned Premium \$11,042

7. Schedule of Underlying Insurance: See attached Schedule of Underlying Insurance

8. Endorsements Attached: See attached Schedule of Forms and Endorsements



Schedule of Forms and Endorsements

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Form Name	Form Number	Edition Date
Advisory Notice To Policyholders Regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Regulations	U-GU-1041-A	(03/11)
Disclosure of Premium (Relating to Disposition of TRIA)	U-GU-692-C CW	(06/13)
Commercial Umbrella Liability Policy Declarations	U-UMB-D-101-C CW	(03/10)
Schedule of Underlying Insurance	U-UMB-105-A CW	(07/99)
Extended Schedule of Underlying Insurance	U-UMB-106-A CW	(07/99)
Commercial Umbrella Liability Policy	U-UMB-103-C CW	(03/10)
Certified Act of Terrorism Retained Amount - Coverage B	U-UMB-406-C CW	(01/08)
Conditional Terrorism Retained Amount Provisions (Related to Disposition of Federal Terrorism Risk Insurance Act)	U-UMB-503-C CW	(08/13)
Care, Custody Or Control Exclusion	U-UMB-129-B CW	(07/03)
Employee Benefits Liability Follow Form	U-UMB-167-B CW	(07/03)
Foreign Operations Follow Form	U-UMB-183-A CW	(07/99)
Lead Exclusion	U-UMB-193-A CW	(07/99)
Personal and Advertising Injury Follow Form	U-UMB-217-A CW	(07/99)
Fungus or Bacteria Exclusion	U-UMB-385-B CW	(07/03)
Technology Errors and Omissions Follow Form	U-UMB-663-A CW	(02/09)
Important Notice - In Witness Clause	U-GU-319-F CW	(01/09)
CAP on Losses from Certified Acts of Terrorism	U-GU-767-A CW	(01/08)
California Cancellation and Nonrenewal	U-UMB-265-C CA	(04/10)

Exclusion-Recording And Distribution Of Material Or
Information In Violation Of Law

U-UMB-525-F CW

(01/14)

Umbrella Amendatory Endorsement

U-UMB-906-A CW

(01/14)



Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
A. Company: Zurich American Insurance Company	Commercial General Liability	\$1,000,000	Premises - Each Occurrence
Policy No: CPO 5912284-02	Domestic Package Policy	\$1,000,000	Products / Completed Ops - Each Occurrence
Term: 09/01/2014 to 09/01/2015		\$2,000,000	Products / Completed Operations Aggregate
		\$2,000,000	General Aggregate
			Per Location
			Term Aggregate
			\$2,000,000
		\$1,000,000	Personal Injury/ Advertising Injury
	Including Employee Benefits	\$1,000,000	Employee Benefits - Each Claim
		\$1,000,000	Employee Benefits - General Aggregate
Company, Policy No. and Term	Coverage	Applicable Limits	
B. Company: Zurich American Insurance Company	Commercial Auto Liability	\$1,000,000	Combined Single Limit
Policy No: CPO 5912284-02	Domestic Package Policy		
Term: 09/01/2014 to 09/01/2015			
Company, Policy No. and Term	Coverage	Applicable Limits	

C. Company: Zurich American Insurance Company	Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: WC 5543003-01	Workers Compensation Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 01/01/2014 to 01/01/2015		\$1,000,000	Bodily Injury By Disease - Policy Limit



Extended Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

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OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Premises and Products/Completed Ops Liability	\$1,000,000	Each Occurrence
Policy No: ZE 5912294-02	Foreign Package Policy	\$2,000,000	General Aggregate
Term: 09/01/2014 to 09/01/2015		\$2,000,000	Products / Completed Operations Aggregate

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Automobile Liability	\$1,000,000	Combined Single Limit
Policy No: ZE 5912294-02	Foreign Package Policy		
Term: 09/01/2014 to 09/01/2015			

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: ZE 5912294-02	Foreign Package Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 09/01/2014 to 09/01/2015		\$1,000,000	Bodily Injury By Disease - Policy Limit



Commercial Umbrella Liability Policy

Zurich North America

Insurance is provided by the company designated on the Declarations of this policy.



ZURICH®

Commercial Umbrella Liability Policy

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered.

Throughout this policy the words “you” and “your” refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **named insured** under this policy. The words “we”, “us” and “our” refer to the company providing this insurance.

The word **insured** means any person or organization qualifying as such in **SECTION V. DEFINITIONS** of this policy.

Words and phrases that are printed in bold-face type are defined in this policy. These definitions are found in **SECTION V. DEFINITIONS** of this policy or in the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and in accordance with the provisions of this policy we agree with you to provide coverage as follows:

Insuring Agreements

SECTION I. COVERAGE

A. Coverage A - Excess Follow Form Liability Insurance

Under **Coverage A**, we will pay on behalf of the **insured** those damages covered by this insurance in excess of the total applicable limits of **underlying insurance**. With respect to **Coverage A**, this policy includes:

1. The terms and conditions of **underlying insurance** to the extent such terms and conditions are not inconsistent or do not conflict with the terms and conditions referred to in Paragraph **2.** below; and
2. The terms and conditions that apply to **Coverage A** of this policy.

Notwithstanding anything to the contrary contained above, if **underlying insurance** does not apply to damages, for reasons other than exhaustion of applicable Limits of Insurance by payment of **loss**, then **Coverage A** does not apply to such damages. Also, **Coverage A** does not apply to any form of **casualty business crisis expense** insurance even if such insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

B. Coverage B - Umbrella Liability Insurance

Under **Coverage B**, we will pay on behalf of the **insured** those damages the **insured** becomes legally obligated to pay by reason of liability:

1. Imposed by law because of **bodily injury, property damage, or personal and advertising injury**; or
2. Assumed under an **insured contract** because of **bodily injury or property damage**;

covered by this insurance but only if the injury, damage or offense arises out of your business, takes place during the policy period of this policy and is caused by an **occurrence** happening anywhere. We will pay such damages in excess of the **Retained Limit** specified in Item **5.** of the Declarations or the amount payable by **other insurance**, whichever is greater.

Coverage B does not apply to any **loss**, claim or **suit** for which insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

The amount we will pay for **loss** under **Coverage A** or **Coverage B** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

We have no obligation under **Coverage A** and/or **Coverage B** with respect to any settlement made without our consent.

The insurance afforded under **Coverage A** and **Coverage B** applies to **bodily injury or property damage** only if prior to the policy period, no **designated insured** knew that the **bodily injury or property damage** had occurred, in whole or in part. If such a **designated insured** knew, prior to the policy period, that the **bodily injury or property damage** occurred, then any continuation, change or resumption of such **bodily injury or property damage** during or after the policy period will be deemed to have been known prior to the policy period.

Bodily injury or **property damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **designated insured** includes any continuation, change or resumption of that **bodily injury** or **property damage** after the policy period; and

Bodily injury or **property damage** will be deemed to have been known to have occurred at the earliest time when any **designated insured**:

1. Reports all, or any part, of the **bodily injury** or **property damage** to us or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the **bodily injury** or **property damage**; or
3. Becomes aware by any other means that **bodily injury** or **property damage** has occurred or has begun to occur.

C. Coverage C - Casualty Business Crisis Expense

Under **Coverage C**, we will pay for **casualty business crisis expense** regardless of fault arising from a **casualty business crisis** first commencing during the policy period. No **underlying insurance** or **Retained Limit** applies to **Coverage C**. Subject to the other terms and conditions of this coverage, we shall pay **casualty business crisis expense** from the first dollar of such expense.

The amount we will pay for **casualty business crisis expense** under **Coverage C** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

Any amounts that we pay under **Coverage C** will not obligate us in any way under **Coverage A** or **Coverage B**.

SECTION II. LIMITS OF INSURANCE

A. With respect to **Coverage A** and **Coverage B**, the Limits of Insurance shown in the Declarations and the rules below describe the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made or **suits** brought;
3. Coverages provided under this policy; or
4. Persons or organizations making claims or bringing **suits**.

B. The Limits of Insurance of this policy will apply as follows:

1. The limit stated in Item **4.B.** of the Declarations for the Other Aggregate is the most we will pay for all **loss** under **Coverage A** and **Coverage B** combined except for:
 - a. **Loss** covered under the **products-completed operations hazard**; and
 - b. **Loss** covered in **underlying insurance** to which no underlying aggregate limit applies.

In addition, with respect to **Coverage A** only, if a policy listed on the Schedule of Underlying Insurance contains aggregate limits, other than an aggregate limit applying to the **products-completed operations hazard**, the Other Aggregate limit stated in Item **4.B.** of the Declarations will apply in the same manner as such other aggregate limits of each policy listed in the Schedule of Underlying Insurance.

2. The limit stated in Item **4.C.** of the Declarations for the Products-Completed Operations Aggregate is the most we will pay for all **loss** under both **Coverage A** and **Coverage B** combined as a result of **bodily injury** or **property damage** included within the **products-completed operations hazard**.
3. Subject to Paragraph **B.1.** or **B.2.** above, whichever applies, the limit stated in Item **4.A.** of the Declarations for Occurrence is the most we will pay for all **loss** arising out of any one **occurrence**, even if such **loss** is covered, in whole or in part, under both **Coverage A** and **Coverage B**.

C. **Coverage A** applies only in excess of the greater of the actual Limits of Insurance of **underlying insurance** or the Limits of Insurance shown on the Schedule of Underlying Insurance forming a part of this policy.

D. With respect to **Coverage C**, the limit stated as the **Casualty Business Crisis Expense** Aggregate Limit in Item **4.D.** of the Declarations is the most we will pay for all **casualty business crisis expense** first commencing during the policy period. This limit is in addition to, and **casualty business crisis expense** does not reduce or exhaust, any other Limit of Insurance applicable to this policy.

- E. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.
- F. With respect to **Coverage A** only and subject to paragraphs **B.1.**, **B.2.**, **B.3.** and **C.** above:
1. If the limits of **underlying insurance** have been reduced solely by payment of **loss** for which coverage is afforded under this policy, this policy will drop down to become immediately excess of the reduced underlying limit; or
 2. If the limits of **underlying insurance** have been exhausted solely by payment of **loss** for which coverage is afforded under this policy, this policy will continue in force as **underlying insurance**.

SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS

- A. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy:
1. Under **Coverage A**, when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy; or
 2. Under **Coverage B**, when damages are sought for **bodily injury, property damage, or personal and advertising injury** to which no **underlying insurance** or **other insurance** applies.
- B. Under **Coverage C**, we do not assume any duty to control the investigation and settlement of any claim, or defense of any **suit** that may arise from a covered **casualty business crisis**.
- C. In those circumstances where paragraph **A.** above applies we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:
1. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds.
 2. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds.
 3. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off from work.
 4. All court costs taxed against the **insured** in the **suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **insured**.
 5. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

When our expenses and the payments described in paragraph **C.** above are not included in the definition of **loss**, they will not reduce the Limits of Insurance.

- D. In those circumstances where paragraph **A.** above does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of **Section III.** Paragraph **A.** above, we will pay any expense incurred with our consent.

SECTION IV. EXCLUSIONS

- A. Under **Coverage A** and **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense:

ASBESTOS

1. Arising out of or relating in any way to:

- a. Asbestos or which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- b. Any:
 - (1) Request, demand, order, statutory or regulatory requirement, direction or determination, that any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - (2) Claim or **suit** for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination than any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos.

EMPLOYMENT PRACTICES

2. Arising out of any **bodily injury** or **personal and advertising injury** to:

- a. A person arising out of any:
 - (1) Failure to employ or promote that person;
 - (2) Termination of that person's employment, including actual or alleged constructive dismissal;
 - (3) Employment-related practices, policies, acts or omissions, including but not limited to injury arising from coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, retaliation, hostile work environment, discrimination or malicious prosecution directed at that person; or
- b. The spouse, domestic partner, child, parent, brother or sister of that person as a consequence of any **bodily injury** or **personal and advertising injury** to that person at whom any of the employment related practices described in subparagraphs (1), (2) or (3) above is directed.

This exclusion applies:

- a. Whether the injury causing event described in paragraph **2.a.** above occurs before employment, during employment or after employment of that person;
- b. Whether the **insured** may be held liable as an employer or in any other capacity; or
- c. To any obligation to share damages with or repay someone who must pay damages because of the injury.

LAWS, MISCELLANEOUS

3. Under any of the following:

- a. Any uninsured/underinsured motorist or **auto** no-fault or first party personal injury law;
- b. Any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
- c. The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

LOSS OF, OR LOSS OF USE OF INTANGIBLE PROPERTY

- 4. Arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate or process intangible property. For purposes of this insurance, **electronic data** is intangible property.

NUCLEAR

- 5. a. With respect to which any **insured** under this policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its Limits of Insurance; or
- b. Resulting from the **hazardous properties of nuclear material** and with respect to which:
 - (1) A person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or

- (2) Any **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- c. Any injury or **nuclear property damage** resulting from the **hazardous properties of nuclear material**, if:
- (1) The **nuclear material**:
 - (a) Is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - (b) Has been discharged or dispersed therefrom;
 - (2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **insured**; or
 - (3) The injury or **nuclear property damage** arises out of the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (3) applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

As used in this exclusion:

- a. **Hazardous properties** include radioactive, toxic or explosive properties.
- b. **Nuclear Facility** means:
 - (1) Any **nuclear reactor**;
 - (2) Any equipment or device designed or used for:
 - (a) Separating the isotopes of uranium or plutonium,
 - (b) Processing or utilizing **spent fuel**, or
 - (c) Handling, processing or packaging **waste**;
 - (3) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of any **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- c. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**.
- d. **Nuclear property damage** includes all forms of radioactive contamination of property.
- e. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- f. **Source material**, **special nuclear material** and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- g. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.
- h. **Waste** means any waste material:
 - (1) Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
 - (2) Resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**.

VIOLATION OF STATUTES

6. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:
 - a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA) and any amendment or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
- d. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

WAR AND MILITARY ACTION

7. Arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that contributes concurrently or in any sequence to injury or damage.

B. Under **Coverage A** this policy does not apply to any liability, damage, **loss**, cost or expense:

POLLUTION

1. Arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**. However, this subparagraph does not apply to:
 - (1) Bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2) Bodily injury or property damage for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to **underlying insurance** as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that additional insured; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**;
- b. At or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
- c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you maybe legally responsible; or
- d. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor. However, this subparagraph does not apply to:
 - (1) Bodily injury or property damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operation fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the bodily injury or property damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (2) Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor;

- (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.
- e. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
- f. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, any auto for which coverage is provided by **underlying insurance**;
 - (2) Otherwise in the course of transit by or on behalf of any **insured**; or
 - (3) Being stored, disposed of, treated or processed in or upon any auto.

However, this subparagraph **f.** does not apply to bodily injury or property damage arising out of:

- (i) The escape of fuels, lubricants, other operating fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto; or
 - (ii) The escape of **pollutants** from a covered auto that directly results from the collision, upset or overturn of such auto while in the course of transit away from any premises owned by or rented to any **insured**.
2. Arising out of any:
- a. Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
 - b. Claim or **suit** brought by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

C. Under Coverage B this policy does not apply to:

AIRCRAFT, AUTOS OR WATERCRAFT

- 1. Any liability, damage, **loss**, cost or expense arising out of the ownership, maintenance, operation, use, loading or unloading or entrustment to others of any
 - a. Aircraft owned by you or rented, loaned or chartered by or on behalf of you without crew;
 - b. **Auto**; or
 - c. Watercraft owned by you except watercraft while ashore on premises you own or rent.

This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **insured**.

EMPLOYEE INJURY

- 2. Any injury to:
 - a. An **employee** of the **insured** arising out of and in the course of:
 - (1) Employment by the **insured**; or
 - (2) Performing duties related to the conduct of the **insured's** business; or
 - b. Any injury to the spouse, domestic partner, child, parent, brother, or sister of that **employee** as a consequence of exclusion **2.a.** above.

This exclusion applies whether the **insured** may be liable as an employer or in any other capacity, or to any obligation to share damages with or repay someone else who must pay damages because of an injury.

IMPAIRED PROPERTY

- 3. **Property damage to impaired property** or property that has not been physically injured arising out of:
 - a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or

- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

INTENTIONAL INJURY

- 4. **Bodily injury** or **property damage** expected or intended from the standpoint of the **insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

PERSONAL and ADVERTISING INJURY

5. Personal and advertising injury:

- a. Caused by or at the direction of the **insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**;
- b. Arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of any **insured**;
- e. For which the **insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement;
- f. Arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**;
- g. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **advertisement**;
- h. Arising out of the wrong description of the price of goods, products or services stated in your **advertisement**;
- i. Arising out of the infringement of copyright, patent, trademark, trade secret, trade dress, slogan or other intellectual property rights.

However, this exclusion does not apply to infringement of copyright, trade dress or slogan in your **advertisement**;

- j. Committed by an **insured** whose business is:
 - (1) Advertising, broadcasting, publishing, electronic publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access or content provider.

However, this exclusion **5.j.**, does not apply to sub-paragraphs **C.**, **12. a.**, **b.**, **c.** and **h.** of **personal and advertising injury** under **SECTION V. DEFINITIONS**.

For purposes of this exclusion **5.j.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- k. Arising out of an electronic chatroom or bulletin board the **insured** hosts, owns or over which the **insured** exercises control; or
- l. Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

POLLUTION

6. Any liability, damage, **loss**, cost or expense:

- a. Arising directly or indirectly out of the actual, alleged or threatened existence, discharge, seepage, migration, dispersal, release or escape of **pollutants**; or
- b. Arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
- (2) Claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

PRODUCT RECALL

7. Damages claimed for any **loss**, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. **Your product**;
- b. **Your work**; or
- c. **Impaired property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

PROPERTY DAMAGE

8. **Property damage** to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any person or organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises you sell, give away or abandon if the **property damage** arises out of any part of those premises;
- c. Property loaned to you;
- d. Personal property in your care, custody or control;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it;
- g. **Your product** arising out of it or any part of it; or
- h. **Your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

- D. Under **Coverage C**, this policy does not apply to any **casualty business crisis** arising out of, based upon or attributable to:

PRIOR NOTICE

1. Facts alleged, or to the same or related acts alleged or contained, in any crisis, claim or **suit** that has been reported, or in any circumstances where notice has been given under any policy of which this policy or any **underlying insurance** is a renewal or replacement; or

PENDING OR PRIOR CRISIS CLAIM OR SUIT

2. Any pending or prior claim or **suit** as of the inception date of this policy.

SECTION V. DEFINITIONS

In this policy, words and phrases appearing in bold face type have the definitions shown below.

- A. The following definitions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Designated insured** means:

- a. The person(s) and organization(s) specifically described under **SECTION V. DEFINITIONS**, sub-paragraphs **C.6.a.** through **C.6.e.** below for any **insured**; or
- b. Any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit**.

2. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
3. **Loss** means those sums actually paid that the **insured** is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense, after making proper deductions for all recoveries and salvage. However:
 - a. Under **Coverage A**:
 - (1) **Loss** also includes defense expenses and supplementary payments if **underlying insurance** includes defense expenses and supplementary payments in the Limits of Insurance; and
 - (2) **Loss** does not include defense expenses and supplementary payments if **underlying insurance** does not include defense expenses and supplementary payments in the Limits of Insurance.
 - b. Under **Coverage B**, **loss** does not include defense expenses and supplementary payments.
4. **Other insurance** means a policy of insurance providing coverage that this policy also provides. **Other insurance** includes any type of self-insurance or other mechanisms by which an **insured** arranges for funding of legal liabilities.
Other insurance does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy providing coverage that this policy also provides.
5. **Pollutants** mean any man-made or naturally occurring solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke; vapor; soot; fumes; acids; alkalis; chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
6. **Suit** means a civil proceeding in which injuries or damages to which this insurance applies are alleged. **Suit** includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the **insured** must submit pursuant to law or contract or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.
7. **Underlying insurance** means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy. We will only be liable for amounts in excess of the Limits of Insurance shown in the Schedule of Underlying Insurance for any **underlying insurance**.

B. The following definitions are applicable to **Coverage A** only:

1. **Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
2. **Insured** means:
 - a. You;
 - b. Any person or organization included as an **insured** in **underlying insurance**; and
 - c. Any person or organization qualifying as an additional **insured** in **underlying insurance** but only to the same extent that such person or organization is an additional **insured** under such **underlying insurance**.
3. **Non-Admitted Jurisdiction** means:
 - a. Any country or political subdivision in which we are not licensed or permitted to insure risks and where doing so would violate the insurance laws and regulations of such jurisdiction; or
 - b. Any country or political subdivision where we are prevented by law from investigating, defending or settling an **occurrence** or **suit**.
4. **Occurrence** means a covered event as defined in **underlying insurance**.
5. **Qualified Entity** means any entity, person or organization that is not an **insured** under this policy and would qualify as an **insured** under this policy, but for the fact that the entity is registered, domiciled or has ongoing operations in a **non-admitted jurisdiction**.

C. The following definitions are applicable to **Coverage B** only:

1. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For purpose of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding websites, only that part of a website that is about your goods, products or services for the purpose of attracting customers or supporters is considered an **advertisement**.
2. **Auto** means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, **auto** does not include **mobile equipment**.
3. **Bodily injury** means physical injury, sickness, or disease, including death of a person. **Bodily injury** to such person also means mental anguish, mental injury, humiliation, or shock if directly resulting from physical injury, sickness, or disease.
4. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
5. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

 - a. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - b. Your fulfilling the terms of the contract or agreement.
6. **Insured** means:
 - a. You, if you are an organization shown in the Declarations, other than a partnership, joint venture or limited liability company. Your executive officers and directors are **insureds**, but only with respect to their duties as your executive officers or directors. Your stockholders are also **insureds**, but only with respect to their liability as stockholders;
 - b. You, if you are a partnership or joint venture shown in the Declarations. Your members, your partners, and their spouses or domestic partners are also **insureds**, but only with respect to the conduct of your business;
 - c. You and your spouse or domestic partner, if you are an individual shown in the Declarations, but only with respect to the conduct of a business of which you are the sole owner;
 - d. You, if you are a limited liability company shown in the Declarations. Your members are also **insureds**, but only with respect to the conduct of your business. Your managers are **insureds**, but only with respect to their duties as your managers;
 - e. You, if you are a trust shown in the Declarations. Your trustees are also **insureds**, but only with respect to their duties as trustees;
 - f. Your **employees**, but only for acts within the scope of their employment by you;
 - g. Your **volunteer workers**, but only while performing duties related to the conduct of your business;
 - h. Any person or organization while acting as your real estate manager; or
 - i. Your legal representative if you die, but only with respect to duties as such.

No person or organization is an **insured** with respect to the conduct of any current, past or newly formed partnership, limited liability company or joint venture that is not designated within the Declarations of this policy as **Named Insured**.

7. **Insured contract** means any written or oral agreement entered into by the **insured** in the usual course of the business operations of the **insured** in which the **insured** assumes the tort liability of another to pay damages because of **bodily injury** or **property damage** to a third person or organization where the contract or agreement is made prior to the injury or damage. Liability means a liability that would be imposed by law in the absence of any contract or agreement.
8. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
9. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
 - e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers.
 - f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but are considered **autos**:

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on an **auto** or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

10. **Named insured** means:
 - a. The person(s) and organization(s) designated in Item **1.** of the Declarations of this policy;
 - b. Any organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply, other than one which you newly acquire or form; or

- c. Any newly acquired or formed organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply; provided that this policy does not apply to any injury or damage that took place before you acquired or formed the organization.

11. Occurrence means:

- a. With respect to **bodily injury** or **property damage** liability, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- b. With respect to **personal and advertising injury**, a covered offense. All damages that arise from the same act, publication or general conditions are considered to arise out of the same **occurrence**, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.

12. Personal and advertising injury means injury, including consequential **bodily injury**, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your **advertisement**;
- g. Infringement upon another's copyright, trade dress or slogan in your **advertisement**; or
- h. Discrimination (unless insurance thereof is prohibited by law), not arising out of or related to employment practices.

Personal and advertising injury also means mental anguish, mental injury, humiliation, or shock, if directly resulting from an offense listed in Items **12.a.** through **12.h.** above.

13. Products-completed operations hazard means all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:

- a. Products that are still in your physical possession; or
- b. Work that has not yet been completed or abandoned. **Your work** will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in your contract has been completed;
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **bodily injury** or **property damage** arising out of:

- a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the loading or unloading of it by any **insured**; or
- b. The existence of tools, uninstalled equipment or abandoned or unused materials.

14. Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.

15. **Retained limit** means the amount of damages applicable to each **occurrence** for which the **insured** is responsible that is shown in Item 5. of the Declarations.
16. **Temporary worker** means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.
17. **Volunteer worker** means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

18. **Your product** means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and
- b. The providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for use of others but not sold.

19. **Your work** means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- b. The providing of or failure to provide warnings or instructions.

D. The following definitions are applicable to **Coverage C** only:

1. **Casualty business crisis** means an event that in the good faith opinion of your **principal**, in the absence of **casualty business crisis services**, has been or may be associated with:

- a. Damages covered by this policy under **Coverage A** that are in excess of the applicable limits of **underlying insurance** or under **Coverage B** that are in excess of the **Retained Limit**; and
- b. Significant adverse regional or national media coverage.

Casualty business crisis shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths or injuries, burns, dismemberment, traumatic brain injury, paraplegia, or contamination of food, drink or pharmaceuticals.

For purposes of **Coverage C**, a **casualty business crisis** will first commence when your **principal** first become aware of the **occurrence** and will conclude at the earliest of the time when the **casualty business crisis advisor** advises you that the crisis no longer exists or when the **Casualty Business Crisis Expense** Aggregate Limit has been exhausted.

2. **Casualty business crisis advisor** means any public relations firm or crisis management firm approved by us that is hired by you to perform **casualty business crisis services** in connection with a **casualty business crisis**.

3. **Casualty business crisis expense** means amounts paid:

- a. To you for the reasonable and necessary:
 - (1) Fees and expenses of a **casualty business crisis advisor** in the performance for you of **casualty business crisis services** solely for a covered **casualty business crisis**; and
 - (2) Amounts for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a **casualty business crisis advisor** solely for a **casualty business crisis**; and
 - b. To others for the following reasonable and necessary expenses resulting from such covered **casualty business crisis** provided that such expenses have been approved by us:
 - (1) Medical expenses;
 - (2) Funeral expenses;
 - (3) Psychological counseling;
 - (4) Travel expenses;
 - (5) Temporary living expenses;
 - (6) Expenses to secure the scene of a **casualty business crisis**; and
 - (7) Any other expenses pre-approved by us.
4. **Casualty business crisis services** means those services performed by a **casualty business crisis advisor** in advising you on minimizing potential harm to you from a covered **casualty business crisis** by maintaining or restoring public confidence in you.
5. **Principal** means your Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if you are a partnership) or sole proprietor (if you are a proprietorship).

SECTION VI. CONDITIONS

A. The following Conditions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Appeals**

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the **underlying insurance**, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II.** of this policy.

2. **Audit of Books and Records**

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three (3) years after the expiration or termination of this policy.

3. **Bankruptcy or Insolvency**

The bankruptcy, insolvency or inability to pay of any **insured** will not relieve us from our obligation to pay damages covered by this policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such **underlying insurance**, but will apply as if all the limits of any **underlying insurance** are fully available and collectible.

4. **Cancellation and Nonrenewal**

a. **Cancellation**

- (1) You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for cancellation, as well as the date when the cancellation is to take effect. Mailing notice to you at your mailing address shown in Item 2. of the Declarations will be sufficient to prove notice.

- (3) The policy period will end on the day and hour stated in the cancellation notice.
- (4) If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
- (5) Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

b. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the first **Named insured** shown in the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy.

6. Currency

Settlements will be paid in United States currency or, when required, in the currency of the country or jurisdiction where the **loss** or **casualty business crisis** occurred. When conversion into another currency from United States currency is required to pay any **loss** or **casualty business crisis expense**, the rate of exchange will be determined on the date of the settlement. The rate of exchange will be the rate we incur in obtaining the foreign currency.

7. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first **Named Insured** will act on behalf of all other **insureds** for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation, for the receipt and acceptance of this policy and any endorsements forming a part of this policy, and for the receiving of any return premiums that become payable under this policy.

8. Inspection

We have the right, but are not obligated to inspect the **insured's** premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

9. Entities That Are Registered, Domiciled or Have Ongoing Operations in Non-Admitted Jurisdictions

This condition applies solely with respect to entities that are registered, domiciled or have ongoing operations in **non-admitted jurisdictions**.

With respect to a **qualified entity**:

- a. Under **Coverage A**, we will reimburse the first **Named Insured** for **loss** incurred by a **qualified entity** that would have been covered this policy but for the fact that the **loss** was incurred by a **qualified entity** including:

- (1) Damages covered by this policy in excess of the total applicable limits of **underlying insurance**; and
- (2) Reasonable defense expenses incurred with our consent.

We have no duty to defend any person or organization against any claim or **suit** brought or proceeding instituted against any **qualified entity** in a **non-admitted jurisdiction**, but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.

- b. Coverage under this policy will not apply until the **qualified entity** or the **qualified entity's** underlying insurer has paid or is obligated to pay the full amount of the applicable limits of **underlying insurance**.

- c. The duties and requirements imposed upon any **insured** under this policy will not apply to any **non-admitted jurisdiction**. However, with respect to any claims made or **suits** brought in a **non-admitted jurisdiction**, it will be the duty of the first **Named Insured** to do or cause the applicable **qualified entity** to do such things as would be required of such **qualified entity** if **Coverage A** applied directly to such claim or **suit**, including:
 - (1) Make such investigation, defense or settlement as we deem reasonable;
 - (2) Obtain our approval for any payment; and
 - (3) Effect approved payments to others, in accordance with the terms and conditions of this insurance.
- d. Under **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any operations or activities of a **qualified entity**.
- e. We will promptly pay the first **Named Insured** at the mailing address listed in Item **2.** of the Declarations the amount of damages covered under the terms of this policy. If the first **Named Insured** or any **qualified entity** recovers from any third party all or part of any amount that we have paid pursuant to this insurance, the first **Named Insured** will promptly reimburse the amount of any such recovery to us.

10. Legal Action Against Us

There will be no right of action against us under this insurance unless:

- a. You have complied with all the terms of this policy; and
- b. The amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

11. Maintenance of Underlying Insurance

During the period of this policy, you agree:

- a. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- b. That the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of limits by payment of claims or **suits** for damages covered by **underlying insurance**;
- c. The policies listed in the Schedule of Underlying Insurance may not be canceled or not renewed by you without notifying us, and you agree to notify us in the event an insurance company cancels or declines to renew any policy listed in the Schedule of Underlying Insurance; and
- d. Renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be materially changed without our agreement.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

12. Miscellaneous Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this policy, shall not invalidate or affect the coverage for those operations or premises. However, the **insured** must report such error or omission to the company as soon as practicable after its discovery.

13. Other Insurance

If **other insurance** applies to damages that are also covered by this policy, this policy will apply excess of the **other insurance**. However, this provision will not apply:

- a. If the **other insurance** is written to be excess of this policy; or
- b. With respect to **Coverage A** only, if the **named insured** has agreed in a written contract to carry insurance to apply prior to and be non-contributory with that of another person or organization's insurance, but only as respects damages arising out of insured operations or work on behalf of the **named insured** performed under such written contract. The limits available to the other person or organization will be the lesser of the policy limits or the minimum limits required by such written contract. In that case, **other insurance** of that person or organization will apply as excess and not contribute prior to the insurance afforded by this policy.

Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such **other insurance**.

14. Premium

The premium for this policy as stated in Item **6.** of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

15. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first **Named Insured**, this insurance applies:

- a. As if each **named insured** were the only **named insured**; and
- b. Separately to each **insured** against whom claim is made or **suit** is brought.

16. Terms Conformed to Statute

The terms of this policy which are in conflict with the statutes, laws, ordinances or regulations in any country, jurisdiction, state or province where this policy is issued are amended to conform to such statutes, laws, ordinances or regulations. If we are prevented by law or statute from paying on behalf of the **insured**, then we will, where permitted by law or statute, indemnify the **insured**.

17. Transfer of Rights of Recovery Against Others to Us

- a. If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after the **loss** to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

However, if any **insured** is required by a written contract or agreement which is executed before a **loss** to waive their rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations for which the **insured** has not waived their rights of recovery by contract.

- b. Any amount recovered will be apportioned in the inverse order of payment of **loss** to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

18. Transfer of Your Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property.

19. When Loss is Payable

Coverage under this policy will not apply until the **insured**, or the **insured's** underlying insurer has paid or is legally obligated to pay the full amount of the Underlying Limits of Insurance or **Retained Limit**.

When the amount of **loss** is determined by an agreed settlement or on a final judgment against an **insured** obtained after an actual trial, we will promptly pay on behalf of the **insured** the amount of **loss** covered under the terms of this policy. The first **Named Insured** will promptly reimburse us for any amount within the **Retained Limit** paid by us.

20. Violation of Economic or Trade Sanctions

If coverage for a claim or **suit** under this policy is in violation of any economic or trade sanctions of the United States of America then coverage for that claim or **suit** will be null and void.

B. The following Condition is applicable to Coverage A and Coverage B:

1. Notice of Occurrence, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in damages covered by this policy.

To the extent possible, notice will include:

- (1) How, when and where the **occurrence** took place;

- (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the **occurrence**.
- b. Knowledge of an **occurrence** by the agent, servant or **employee** of yours, shall not in itself constitute knowledge by the **insured** unless you, or any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit** shall have received such notice from the agent, servants or **employee**.
- c. If a claim or **suit** against any **Insured** is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
- d. You and any other involved **insured** must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- e. The **insureds** will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- f. Your failure to give notice of an **occurrence** to us shall not invalidate coverage under this policy if the **occurrence** was inadvertently reported to another Insurer. However, you shall report any such **occurrence** to us as soon as practicable once you become aware of such error.

C. The following Conditions are applicable to **Coverage C**:

1. **Notice of a Casualty Business Crisis**

You must see to it that we are notified of a **casualty business crisis** as soon as practicable after it first commences. Such notice shall include a description of the **casualty business crisis** and the reason it is likely to involve damages covered by this policy in excess of the applicable limits of **underlying insurance** under **Coverage A** or **Retained Limit** under **Coverage B** and significant adverse regional or national media coverage. We will not be liable for **casualty business crisis expense** incurred prior to, or more than one hundred eighty (180) days after the date notice of such **casualty business crisis** is first given to us. Notice to us shall be given to Zurich Claim Reporting, Care Center, P.O. Box 49547, Colorado Springs, CO 80949, Phone 1-800-987-3373, Fax 1-877-962-2567, E-Mail USZ Care Center@Zurichna.com.

2. **Arbitration**

If you and we disagree as to whether a **casualty business crisis** has occurred, both parties may, by mutual consent agree in writing to arbitration of the disagreement and the right to any reimbursement for **casualty business crisis expense**.

In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

- a. Pay the expenses it incurs; and
- b. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the state, county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

Endorsement # 01

Certified Act of Terrorism Retained Amount Provisions - Coverage B



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CERTIFIED ACT OF TERRORISM RETAINED AMOUNT SCHEDULE

Each Occurrence Retained Amount:	\$ 1,000,000
Products-Completed Operations Aggregate Retained Amount:	\$ 2,000,000
Other Aggregate Retained Amount:	\$ 2,000,000

Certified Act of Terrorism Retained Amount Provisions - Coverage B

The following additional provisions apply under **Coverage B** of this policy as respects any liability, damage, **loss**, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**, including any action taken in hindering or defending against an actual or expected **certified act of terrorism**, regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage:

- A.** The Retained Amounts shown in the Schedule above apply in place of the **Coverage B retained limit** specified in Item 5. of the Declarations, or any amount payable by **other insurance**, whichever is greater, and are the only **retained amount** provisions applying to any **loss**, claim or **suit** from a **certified act of terrorism**. These provisions do not apply to any other **loss**, claim or **suit** not involving a **certified act of terrorism** that would still be subject to the applicable **Coverage B retained limit** amount. The specific **retained amounts** applying to **certified acts of terrorism** are as follows:
1. The Each Occurrence Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible applicable to each **occurrence**.
 2. The Products-Completed Operations Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** included within the **products-completed operations hazard**.
 3. The Other Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** except for **occurrences** included within the **products-completed operations hazard**.
- B.** The following changes apply to **SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS** as respects **Coverage B**, only as respects to a **loss**, claim or **suit** to which this endorsement applies:
1. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy under **Coverage B**, when the applicable **retained amount** has been exhausted by payment of claims.

2. In those circumstances where paragraph **B.1.** of this endorsement applies, in addition to the applicable Limits of Insurance, we will pay our expenses and the following to the extent that they are not included in **underlying insurance** or **other insurance**:
 - a. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds;
 - b. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds;
 - c. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off work;
 - d. Costs taxed against the **insured** in the **suit**;
 - e. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest on that period of time after the offer; and
 - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.
3. In those circumstances where paragraph **B.1.** of this endorsement does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of paragraph **B.1.** of this endorsement, we will pay any expense incurred with our consent.

C. The following provision is added to **SECTION VI. CONDITIONS**, Paragraph **A.10. Notice of Occurrence, Claim or Suit**:

You must notify us immediately in writing of any claim or **suit** which seeks damages in an amount which is fifty (50) percent or more of the amount of the Each Occurrence Retained Amount stated in the Schedule of this endorsement.

- D.** As used in this endorsement, **certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). TRIA provides that the Secretary of Treasury shall certify an act of terrorism:
 1. To be an act of terrorism;
 2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
 3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
 4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

- E.** As used in this endorsement, **retained amount** means the amount of damages for which the **insured** is responsible as shown in the Schedule of this endorsement.

Conditional Terrorism Retained Amount Provisions (Relating to Disposition of Federal Terrorism Risk Insurance Act) – Coverage B



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM RETAINED AMOUNT SCHEDULE

Each Occurrence Retained Amount:	\$1,000,000
Products-Completed Operations Aggregate Retained Amount:	\$2,000,000
Other Aggregate Retained Amount:	\$2,000,000

A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this policy; or
 - b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses); or
 - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
 - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses **certified acts of terrorism** and/or other acts of terrorism, but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made coverage, such an endorsement is superseded only with respect to an

incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and

b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.

3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses **certified acts of terrorism** will continue in effect unless we notify you of changes to that endorsement in response to federal law.

B. The following additional provisions apply to **Coverage B** of this policy as respects any liability, damage, **loss**, cost or expense caused directly or indirectly by **terrorism**, including any action taken in hindering or defending against an actual or expected incident of **terrorism**:

1. The **retained amounts** apply in place of the **Coverage B retained limit** specified in Item 5. of the Declarations, and are the only **retained amount** that apply to any **loss**, claim or **suit** arising from an incident of **terrorism**. These provisions do not apply to any other **loss**, claim or **suit** that does not involve an incident of **terrorism** and is subject to the applicable **Coverage B retained limit**. The specific **retained amounts** applying to an incident(s) of **terrorism** are as follows:

- a. The Each Occurrence Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible applicable to each **occurrence**.
- b. The Products-Completed Operations Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** included within the **products-completed operations hazard**.
- c. The Other Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** except for **occurrences** included within the **products-completed operations hazard**.

2. **SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS** as respects **Coverage B**, only as respects the coverage provided by this endorsement, is replaced with the following:

- a. We have the right and duty to assume control of the investigation, settlement or defense of any claim or **suit** against the **insured** for damages covered by this policy under **Coverage B**, when the applicable **retained amount** has been exhausted by payment of claims.
- b. In those circumstances where paragraph **B.2.a.** of this endorsement applies, in addition to the applicable Limits of Insurance, we will pay our expenses and the following to the extent that they are not included in **underlying insurance** or **other insurance**:
 - (1) Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds;
 - (2) The cost of bonds to release attachments, but only for bond amounts within the amount of insurance. We do not have to furnish these bonds;
 - (3) Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off work;
 - (4) Costs taxed against the **insured** in the **suit**;
 - (5) Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest on that period of time after the offer; and
 - (6) All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.
- c. In those circumstances where paragraph **B.2.a.** of this endorsement does not apply, we do not have the duty to assume control of the investigation, settlement or defense of any claim or **suit** against the **insured**. We do, however, have the right to participate in the investigation, settlement or defense of any claim or **suit** that we feel may create liability on our part under the terms of this endorsement. If we exercise this right, we will do so at our expense.

d. We will not defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item 4. of the Declarations.

3. The following provision is added to **SECTION VI. CONDITIONS, Notice of Occurrence, Claim or Suit:**

You must notify us immediately in writing of any claim or **suit** which seeks damages in an amount which is fifty (50) percent or more of the amount of the Each Occurrence Retained Amount stated in the Terrorism Retained Amount Schedule of this endorsement.

4. The following definitions are added to **SECTION V.C. DEFINITIONS:**

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). TRIA provides that the Secretary of Treasury shall certify an act of terrorism:

- (1) To be an act of terrorism;
- (2) To be a violent act or an act that is dangerous to human life, property or infrastructure;
- (3) To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
- (4) To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

Terrorism means activities against persons, organizations or property of any nature:

a. That involve the following or preparation for the following:

- (1) Use or threat of force or violence; or
- (2) Commission or threat of a dangerous act; or
- (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and

b. When one or both of the following applies:

- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
- (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

Retained amount means the amount of damages for which the **insured** is responsible as shown in the Terrorism Retained Amount Schedule of this endorsement or the amount payable by **other insurance**, whichever is greater.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 02



Care, Custody Or Control Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** this policy does not apply to property damage to:

Under Coverage A this policy does not apply to property damage to: Real and/or Personal Property of others in the care, custody or control of the ins

of others in the care, custody or control of the **insured**.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Endorsement # 03



Employee Benefits Liability Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

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MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense imposed on any **insured** as a Fiduciary Administrator, or other party in interest arising out of any **Employee Benefits Program**, record handling in connection with any **Employee Benefits Program**, or effecting or terminating any employee's participation in any plan included in any "**Employee Benefits Program**".

As used in this endorsement:

Employee Benefits Program means any group life insurance, group accident or health insurance, profit sharing plans, pension plans, stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits and any other similar plans.

Endorsement # 04



Foreign Operations Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. MIDDLEFIELD RD.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **insured's** operations or activities outside of the United States of America (including its territories and possessions), Puerto Rico or Canada whether or not the **insured's** responsibility to pay damages is determined in a **suit** on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.

Endorsement # 05



Lead Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
A. Under Coverage A and Coverage B this policy does not apply to:

1. Any liability, damage, **loss**, cost or expense arising out of, resulting from, caused by or contributed to by toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with paragraphs **1.** or **2.** above; or
4. Any obligation to share damages with or repay anyone else who must pay damages in connection with paragraphs **1.**, **2.**, or **3.** above.

Endorsement # 06



Personal and Advertising Injury Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. MIDDLEFIELD RD.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **personal and advertising injury** offense.

Endorsement # 07



Fungus or Bacteria Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** and **Coverage B** this policy does not apply to any liability, damage, **loss**, cost or expense:

- A.** Caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. Fungi, or bacteria; or**
 - 2. Substance, vapor or gas produced by or arising out of any fungi or bacteria.**
- B.** Arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, **fungi or bacteria**, by any **insured** or by any other person or entity.

Definitions

As used in this endorsement:

- 1. Bacteria** means any type or form of bacteria and any materials or substances that are produced or released by bacteria.
- 2. Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, **spores**, scents or by-products produced or released by fungi.
- 3. Spores** means reproductive bodies produced by or arising out of **fungi**.

This exclusion does not apply to any **fungi or bacteria** that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Endorsement # 08



ZURICH®

Technology Errors and Omissions Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, **damages, loss**, cost or expense arising out of:

1. The failure of **your product** to perform the function or serve the purpose intended;
2. The performance or nonperformance of **your work**;
3. Purchase or contract price for **your product** or **your work**;
4. Disgorgement of profits, restitution, or any money or credits that represent any gain, profit, or advantage to which you are not legally entitled; or
5. Criminal or civil penalties.

As used in this endorsement the following definitions apply:

1. **Damages** means a monetary amount to compensate for a **wrongful act**.
2. **Wrongful act** means an error or omission by or on behalf of any **insured**.
3. **Your product** means
 - a. Any goods or products manufactured, developed, designed, created, sold, handled, licensed, marketed, distributed, or disposed of by you or on your behalf, including but not limited to:
 - 1) Computer software or computer programming;
 - 2) Electronic or computer equipment, components, or peripherals;
 - 3) Telecommunications or broadcasting equipment; or
 - 4) Industrial or robotic equipment; and
 - b. Containers (other than vehicles), materials, parts, or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your product**; and
- b. The providing of or failure to provide warnings or instructions.

4. Your work means:

- a.** Work or operations performed by you or on your behalf, including but not limited to:
 - 1)** Installation, service, technical support, system integration, maintenance, repair, consulting, or analysis of:
 - a)** Computer software or computer programming;
 - b)** Electronic or computer equipment, components, or peripherals;
 - c)** Telecommunications or broadcasting equipment; or
 - d)** Industrial or robotic equipment;and any training services provided in conjunction with the above activities;
 - 2)** Electronic processing, management, mining, or warehousing of data or records for others;
 - 3)** Providing multimedia services, including but not limited to:
 - a)** Television broadcasting;
 - b)** Cable and satellite broadcasting;
 - c)** Radio broadcasting;
 - d)** Electronic broadcasting;
 - e)** Internet access; or
 - f)** Website design;
 - 4)** Providing telecommunication services, including but not limited to:
 - a)** Wire based telecommunications;
 - b)** Wireless telecommunications; or
 - c)** Paging services; and
 - 5)** Administration, management, operation, or hosting of systems, technology, or computer facilities for another person or organization; and
- b.** Materials, parts, or equipment furnished in connection with such work or operations.

Your work includes:

- a.** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your work**; and
- b.** The providing of or failure to provide warnings or instruction.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Important Notice - In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy. IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Handwritten signature of Nancy D. Mueller in black ink.

President

Handwritten signature of Daniel J. Kennedy in black ink.

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8 a.m. - 4 p.m. [CT])
Email: info.source@zurichna.com

**ZURICH**

Cap on Losses From Certified Acts of Terrorism

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Commercial Umbrella Liability Policy**A. Cap on Losses From Certified Terrorism Losses**

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.



California Cancellation and Nonrenewal Endorsement ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, a. Cancellation, paragraph (2), is deleted and replaced with the following:

- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you at the address shown on your policy not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for the cancellation and stating when the cancellation is to take effect. Mailing or delivery of the notice of cancellation to you shall be deemed to have been given to all **insureds**.
- (a) If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy we issued, we may cancel this policy for any reason.
- (b) If this policy has been in effect for sixty (60) days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy for one or more of the following reasons:
- i. Non-payment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks;
 - ii. Discovery of fraud or material misrepresentation by any **insured** or his or her representative in obtaining this insurance or in pursuing a claim under this policy;
 - iii. A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against;
 - iv. Discovery of willfully or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against;
 - v. Failure by you or your representative to implement reasonable loss control requirements, agreed to as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against;
 - vi. A determination by the Commissioner of Insurance that the loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency;
 - vii. A determination by the Commissioner of Insurance that continuation of the policy coverage would place us in violation of California law or the laws of the state where we are domiciled or threaten our solvency;

- viii. A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased, or changed risk is included in the policy;
 - ix. A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies;
 - x. Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse;
 - xi. A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.
- (c) If we cancel for non-payment of premium, you may continue coverage and avoid the effect of cancellation by payment in full at any time prior to the effective date of cancellation.

B. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, b. Nonrenewal, is deleted and replaced with the following:

b. Nonrenewal

- (1) If we decide not to renew this policy, we will mail or deliver notice of nonrenewal at least sixty (60) days, but not more than one hundred, twenty (120) days before the expiration date of this policy. Such notice will be mailed or delivered to you at the mailing address last known to us, and to the producer of record (if any). Proof of mailing will be sufficient proof of notice. Mailing or delivery of the notice of nonrenewal shall be deemed to have been given to all **insureds**.
- (2) We need not provide notice of nonrenewal if:
 - (a) The transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group;
 - (b) The policy has been extended for ninety (90) days or less, provided that notice has been given in accordance with paragraph (1);
 - (c) You have obtained replacement coverage, or if you have agreed, in writing, within sixty (60) days of the termination of the policy, to obtain that coverage;
 - (d) The policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed;
 - (e) You request a change in the terms or conditions or risks covered by the policy within sixty (60) days of the end of the policy;
 - (f) We have made a written offer to you, in accordance with paragraph (1), to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%;
 - (g) The policy has been designated as nonrenewable.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 09

Exclusion-Recording And Distribution Of Material Or Information In Violation Of Law



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Umbrella Liability Policy

Under **Section IV. Exclusions**, paragraph **A. 6. Violation Of Statutes** is replaced by the following:

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW

- 6.** Directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:
- a.** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - b.** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - c.** The Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
 - d.** Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA, and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms, conditions, provisions and exclusions of this policy remain the same.

Endorsement # 10



Umbrella Amendatory Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-02	09/01/2014	09/01/2015	09/01/2014	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Umbrella Liability Policy

- A.** Under **Section IV. Exclusions**, paragraph **C.5. Personal and Advertising Injury**, subparagraphs **b.** and **c.** are replaced by the following:
- b.** Arising out of or written publication, in any manner, of material, if done by or at the direction of the **insured** with knowledge of its falsity;
 - c.** Arising out of or written publication, in any manner, of material, whose first publication took place before the beginning of the policy period;
- B.** Under **Section V. Definitions**, paragraph **C.2. Auto**, subparagraph **b.** is replaced by the following:
- b.** Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged;
- C.** Under **Section V. Definitions**, paragraph **C.9. Mobile equipment**, the last paragraph under the definition of **Mobile equipment** is replaced by the following:
- However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

All other terms, conditions, provisions and exclusions of this policy remain the same.

EXHIBIT H



Important Notice to Policyholders

The address for the headquarters of Zurich North America will change after August 1, 2016 due to a relocation of our office in the same city. The new address is:

Customer Inquiry Center
Zurich North America
1299 Zurich Way
Schaumburg, IL 60196
1-800-382-2150

For specific questions regarding your policy, please contact your agent or broker. For other questions, you may contact the Customer Inquiry Center of Zurich North America. Any references to post office boxes previously provided remain unchanged.

Insured Name: OMNICELL, INC

Policy Number: AUC 5912288-03

Effective Date: 09/01/2015



THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA: \$948
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*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January 1, 2015 – December 31, 2015 federal share: 85%

January 1, 2016 – December 31, 2016 federal share: 84%

January 1, 2017 – December 31, 2017 federal share: 83%

January 1, 2018 – December 31, 2018 federal share: 82%

January 1, 2019 – December 31, 2019 federal share: 81%

January 1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

Insured Name: OMNICELL, INC

Policy Number: AUC 5912288-03

Effective Date: 09/01/2015



NOTIFICATION OF IMPORTANT CHANGES RELATING TO TERRORISM RISK INSURANCE ACT

To Our Valued Customers:

The Terrorism Risk Insurance Program Reauthorization Act of 2007 ("TRIPRA 2007") had been scheduled to expire on December 31, 2014. Congress enacted a six year extension of TRIA entitled, Terrorism Risk Insurance Program Reauthorization Act of 2015 ("TRIPRA 2015"), which will expire on December 31, 2020. For purposes of simplicity we will simply reference the act as TRIA. There are several important changes to TRIA included within the extension of which you should be aware:

A. Change in Definition of "Act of Terrorism"

Prior to the enactment of the extension legislation, TRIA had required that an "act of terrorism" meant any act that is certified by the Secretary of the Treasury in concurrence with the Secretary of State. However, this has been changed in that certification by the Secretary of the Treasury shall be in consultation with the Secretary of Homeland Security and the United States Attorney General.

B. Reduction in the Federal Share of Terrorism Losses by Increasing the Insurer Co-Pay from 15% to 20% Over Five Years

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January 1, 2015 – December 31, 2015 federal share: 85%

January 1, 2016 – December 31, 2016 federal share: 84%

January 1, 2017 – December 31, 2017 federal share: 83%

January 1, 2018 – December 31, 2018 federal share: 82%

January 1, 2019 – December 31, 2019 federal share: 81%

January 1, 2020 – December 31, 2020 federal share: 80%

C. The Current Program Trigger for Aggregate Industry Insured Losses Will Increase from \$100 Million to \$200 Million Over Five Years

The extension of TRIA increases the Program trigger from \$100 million to \$200 million over a five year period. This means that the Program trigger will increase by \$20 million with respect to any such insured losses occurring in calendar year 2016 and continue to increase by \$20 million until calendar year 2020. At the end of this five year period the Program trigger will be \$200 million.

D. Increases in the Recoupment of the Federal Share of Insured Losses

The extension of TRIA increases the amount used to calculate marketplace aggregate retention from \$27.5 billion to \$37.5 billion in \$2 billion increments beginning in the calendar year 2015 and reaching \$37.5 billion in calendar year 2019. Beginning in calendar year 2020 the TRIA extension revises the mandatory recoupment amount to be the amount equal to the annual average of the sum of insurer deductibles for all insurers participating in the Program for the prior three calendar years, with such amount to be determined annually by the Secretary of the Treasury. Under the TRIA extension, the recoupment of mandatory recoupment amounts has increased from 133% to 140%.



Disclosure Statement

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.



Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company
and its underwriting subsidiaries.



Commercial Umbrella Liability Policy

Declarations

Insurance is provided by the company below.

American Guarantee and Liability Insurance Company

Policy Number: AUC 5912288-03

Renewal of Number: AUC 5912288-02

1. Named Insured: OMNICELL, INC

**Producer: MARSH RISK & INSURANCE
SERVICES**

**2. Mailing Address: 590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337**

**1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508**

Email Address:

annmarie.torio@marsh.com

3. Policy Period: From: 09/01/2015 To: 09/01/2016
at 12:01 A.M. Standard Time at the address of the Named Insured.

4. Limits of Insurance:

A. \$25,000,000	Occurrence
B. \$25,000,000	Other Aggregate
C. \$25,000,000	Products/Completed Operations Aggregate
D. \$250,000	Casualty Business Crisis Aggregate Limit

5. Retained Limit: \$0 Occurrence

6. Policy Premium:

Advance Premium \$48,348

Policy Minimum Earned Premium \$12,087

7. Schedule of Underlying Insurance: See attached Schedule of Underlying Insurance

8. Endorsements Attached: See attached Schedule of Forms and Endorsements



Schedule of Forms and Endorsements

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Form Name	Form Number	Edition Date
Disclosure of Important Information Relating to Terrorism Risk Insurance Act	U-GU-630-D CW	(01/15)
Commercial Umbrella Liability Policy Declarations	U-UMB-D-101-C CW	(03/10)
Schedule of Underlying Insurance	U-UMB-105-A CW	(07/99)
Extended Schedule of Underlying Insurance	U-UMB-106-A CW	(07/99)
Commercial Umbrella Liability Policy	U-UMB-103-C CW	(03/10)
Certified Act of Terrorism Retained Amount - Coverage B	U-UMB-406-D CW	(01/15)
Care, Custody Or Control Exclusion	U-UMB-129-B CW	(07/03)
Employee Benefits Liability Follow Form	U-UMB-167-B CW	(07/03)
Foreign Operations Follow Form	U-UMB-183-A CW	(07/99)
Lead Exclusion	U-UMB-193-A CW	(07/99)
Personal and Advertising Injury Follow Form	U-UMB-217-A CW	(07/99)
Fungus or Bacteria Exclusion	U-UMB-385-B CW	(07/03)
Technology Errors and Omissions Follow Form	U-UMB-663-A CW	(02/09)
Sanctions Exclusion Endorsement	U-GU-1191-A CW	(03/15)
Important Notice - In Witness Clause	U-GU-319-F CW	(01/09)
Cap on Losses From Certified Acts of Terrorism	U-GU-767-B CW	(01/15)
California Cancellation and Nonrenewal	U-UMB-265-C CA	(04/10)
Exclusion-Recording And Distribution Of Material Or Information In Violation Of Law	U-UMB-525-F CW	(01/14)

Umbrella Amendatory Endorsement

U-UMB-906-A CW

(01/14)



Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
A. Company: Zurich American Insurance Company	Commercial General Liability	\$1,000,000	Premises - Each Occurrence
Policy No: CPO 5912284-03	Domestic Package Policy	\$1,000,000	Products / Completed Ops - Each Occurrence
Term: 09/01/2015 to 09/01/2016		\$2,000,000	Products / Completed Operations Aggregate
		\$2,000,000	General Aggregate
			Per Location
			Term Aggregate
			\$2,000,000
		\$1,000,000	Personal Injury/ Advertising Injury
	Including Employee Benefits	\$1,000,000	Employee Benefits - Each Claim
		\$1,000,000	Employee Benefits - General Aggregate
Company, Policy No. and Term	Coverage	Applicable Limits	
B. Company: Zurich American Insurance Company	Commercial Auto Liability	\$1,000,000	Combined Single Limit
Policy No: CPO 5912284-03	Domestic Package Policy		
Term: 09/01/2015 to 09/01/2016			
Company, Policy No. and Term	Coverage	Applicable Limits	

C. Company: Zurich American Insurance Company	Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: WC 5543003-03	Workers Compensation Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 09/01/2015 to 09/01/2016		\$1,000,000	Bodily Injury By Disease - Policy Limit



Extended Schedule of Underlying Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Premises and Products/Completed Ops Liability	\$1,000,000	Each Occurrence
Policy No: ZE 5912294-03	Foreign Package Policy	\$2,000,000	General Aggregate
Term: 09/01/2015 to 09/01/2016		\$2,000,000	Products / Completed Operations Aggregate

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Automobile Liability	\$1,000,000	Combined Single Limit
Policy No: ZE 5912294-03	Foreign Package Policy		
Term: 09/01/2015 to 09/01/2016			

Company, Policy No. and Term	Coverage	Applicable Limits	
Company: Zurich American Insurance Company	Foreign Liability Employers Liability	\$1,000,000	Bodily Injury By Accident - Each Accident
Policy No: ZE 5912294-03	Foreign Package Policy	\$1,000,000	Bodily Injury By Disease - Each Employee
Term: 09/01/2015 to 09/01/2016		\$1,000,000	Bodily Injury By Disease - Policy Limit



Commercial Umbrella Liability Policy

Zurich North America

Insurance is provided by the company designated on the Declarations of this policy.



Commercial Umbrella Liability Policy

There are provisions in this policy that restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **named insured** under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word **insured** means any person or organization qualifying as such in **SECTION V. DEFINITIONS** of this policy.

Words and phrases that are printed in bold-face type are defined in this policy. These definitions are found in **SECTION V. DEFINITIONS** of this policy or in the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations and in accordance with the provisions of this policy we agree with you to provide coverage as follows:

Insuring Agreements

SECTION I. COVERAGE

A. Coverage A - Excess Follow Form Liability Insurance

Under **Coverage A**, we will pay on behalf of the **insured** those damages covered by this insurance in excess of the total applicable limits of **underlying insurance**. With respect to **Coverage A**, this policy includes:

1. The terms and conditions of **underlying insurance** to the extent such terms and conditions are not inconsistent or do not conflict with the terms and conditions referred to in Paragraph **2.** below; and
2. The terms and conditions that apply to **Coverage A** of this policy.

Notwithstanding anything to the contrary contained above, if **underlying insurance** does not apply to damages, for reasons other than exhaustion of applicable Limits of Insurance by payment of **loss**, then **Coverage A** does not apply to such damages. Also, **Coverage A** does not apply to any form of **casualty business crisis expense** insurance even if such insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

B. Coverage B - Umbrella Liability Insurance

Under **Coverage B**, we will pay on behalf of the **insured** those damages the **insured** becomes legally obligated to pay by reason of liability:

1. Imposed by law because of **bodily injury, property damage, or personal and advertising injury**; or
2. Assumed under an **insured contract** because of **bodily injury or property damage**;

covered by this insurance but only if the injury, damage or offense arises out of your business, takes place during the policy period of this policy and is caused by an **occurrence** happening anywhere. We will pay such damages in excess of the **Retained Limit** specified in Item **5.** of the Declarations or the amount payable by **other insurance**, whichever is greater.

Coverage B does not apply to any **loss**, claim or **suit** for which insurance is afforded under **underlying insurance** or would have been afforded except for the exhaustion of the Limits of Insurance of **underlying insurance**.

The amount we will pay for **loss** under **Coverage A** or **Coverage B** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

We have no obligation under **Coverage A** and/or **Coverage B** with respect to any settlement made without our consent.

The insurance afforded under **Coverage A** and **Coverage B** applies to **bodily injury or property damage** only if prior to the policy period, no **designated insured** knew that the **bodily injury or property damage** had occurred, in whole or in part. If such a **designated insured** knew, prior to the policy period, that the **bodily injury or property damage** occurred, then any continuation, change or resumption of such **bodily injury or property damage** during or after the policy period will be deemed to have been known prior to the policy period.

Bodily injury or **property damage** which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **designated insured** includes any continuation, change or resumption of that **bodily injury** or **property damage** after the policy period; and

Bodily injury or **property damage** will be deemed to have been known to have occurred at the earliest time when any **designated insured**:

1. Reports all, or any part, of the **bodily injury** or **property damage** to us or any other insurer;
2. Receives a written or verbal demand or claim for damages because of the **bodily injury** or **property damage**; or
3. Becomes aware by any other means that **bodily injury** or **property damage** has occurred or has begun to occur.

C. Coverage C - Casualty Business Crisis Expense

Under **Coverage C**, we will pay for **casualty business crisis expense** regardless of fault arising from a **casualty business crisis** first commencing during the policy period. No **underlying insurance** or **Retained Limit** applies to **Coverage C**. Subject to the other terms and conditions of this coverage, we shall pay **casualty business crisis expense** from the first dollar of such expense.

The amount we will pay for **casualty business crisis expense** under **Coverage C** is limited as described in **SECTION II. LIMITS OF INSURANCE**.

Any amounts that we pay under **Coverage C** will not obligate us in any way under **Coverage A** or **Coverage B**.

SECTION II. LIMITS OF INSURANCE

A. With respect to **Coverage A** and **Coverage B**, the Limits of Insurance shown in the Declarations and the rules below describe the most we will pay, regardless of the number of:

1. **Insureds**;
2. Claims made or **suits** brought;
3. Coverages provided under this policy; or
4. Persons or organizations making claims or bringing **suits**.

B. The Limits of Insurance of this policy will apply as follows:

1. The limit stated in Item **4.B.** of the Declarations for the Other Aggregate is the most we will pay for all **loss** under **Coverage A** and **Coverage B** combined except for:
 - a. **Loss** covered under the **products-completed operations hazard**; and
 - b. **Loss** covered in **underlying insurance** to which no underlying aggregate limit applies.

In addition, with respect to **Coverage A** only, if a policy listed on the Schedule of Underlying Insurance contains aggregate limits, other than an aggregate limit applying to the **products-completed operations hazard**, the Other Aggregate limit stated in Item **4.B.** of the Declarations will apply in the same manner as such other aggregate limits of each policy listed in the Schedule of Underlying Insurance.

2. The limit stated in Item **4.C.** of the Declarations for the Products-Completed Operations Aggregate is the most we will pay for all **loss** under both **Coverage A** and **Coverage B** combined as a result of **bodily injury** or **property damage** included within the **products-completed operations hazard**.
3. Subject to Paragraph **B.1.** or **B.2.** above, whichever applies, the limit stated in Item **4.A.** of the Declarations for Occurrence is the most we will pay for all **loss** arising out of any one **occurrence**, even if such **loss** is covered, in whole or in part, under both **Coverage A** and **Coverage B**.

C. **Coverage A** applies only in excess of the greater of the actual Limits of Insurance of **underlying insurance** or the Limits of Insurance shown on the Schedule of Underlying Insurance forming a part of this policy.

D. With respect to **Coverage C**, the limit stated as the **Casualty Business Crisis Expense** Aggregate Limit in Item **4.D.** of the Declarations is the most we will pay for all **casualty business crisis expense** first commencing during the policy period. This limit is in addition to, and **casualty business crisis expense** does not reduce or exhaust, any other Limit of Insurance applicable to this policy.

- E. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.
- F. With respect to **Coverage A** only and subject to paragraphs **B.1.**, **B.2.**, **B.3.** and **C.** above:
 - 1. If the limits of **underlying insurance** have been reduced solely by payment of **loss** for which coverage is afforded under this policy, this policy will drop down to become immediately excess of the reduced underlying limit; or
 - 2. If the limits of **underlying insurance** have been exhausted solely by payment of **loss** for which coverage is afforded under this policy, this policy will continue in force as **underlying insurance**.

SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS

- A. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy:
 - 1. Under **Coverage A**, when the applicable limit of **underlying insurance** and **other insurance** has been exhausted by payment of **loss** for which coverage is afforded under this policy; or
 - 2. Under **Coverage B**, when damages are sought for **bodily injury, property damage, or personal and advertising injury** to which no **underlying insurance** or **other insurance** applies.
- B. Under **Coverage C**, we do not assume any duty to control the investigation and settlement of any claim, or defense of any **suit** that may arise from a covered **casualty business crisis**.
- C. In those circumstances where paragraph **A.** above applies we will pay our expenses and the following to the extent that they are not included in **underlying insurance**:
 - 1. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds.
 - 2. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds.
 - 3. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off from work.
 - 4. All court costs taxed against the **insured** in the **suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **insured**.
 - 5. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
 - 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

When our expenses and the payments described in paragraph **C.** above are not included in the definition of **loss**, they will not reduce the Limits of Insurance.

- D. In those circumstances where paragraph **A.** above does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item **4.** of the Declarations.

If we are prevented by law from carrying out the provisions of **Section III.** Paragraph **A.** above, we will pay any expense incurred with our consent.

SECTION IV. EXCLUSIONS

- A. Under **Coverage A** and **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense:

ASBESTOS

- 1. Arising out of or relating in any way to:

- a. Asbestos or which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- b. Any:
 - (1) Request, demand, order, statutory or regulatory requirement, direction or determination, that any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
 - (2) Claim or **suit** for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination than any **insured** or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos.

EMPLOYMENT PRACTICES

2. Arising out of any **bodily injury** or **personal and advertising injury** to:

- a. A person arising out of any:
 - (1) Failure to employ or promote that person;
 - (2) Termination of that person's employment, including actual or alleged constructive dismissal;
 - (3) Employment-related practices, policies, acts or omissions, including but not limited to injury arising from coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, molestation, humiliation, retaliation, hostile work environment, discrimination or malicious prosecution directed at that person; or
- b. The spouse, domestic partner, child, parent, brother or sister of that person as a consequence of any **bodily injury** or **personal and advertising injury** to that person at whom any of the employment related practices described in subparagraphs (1), (2) or (3) above is directed.

This exclusion applies:

- a. Whether the injury causing event described in paragraph **2.a.** above occurs before employment, during employment or after employment of that person;
- b. Whether the **insured** may be held liable as an employer or in any other capacity; or
- c. To any obligation to share damages with or repay someone who must pay damages because of the injury.

LAWS, MISCELLANEOUS

3. Under any of the following:

- a. Any uninsured/underinsured motorist or **auto** no-fault or first party personal injury law;
- b. Any workers' compensation, unemployment compensation, or disability benefits law or any similar law; or
- c. The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 as now or hereafter amended.

LOSS OF, OR LOSS OF USE OF INTANGIBLE PROPERTY

4. Arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate or process intangible property. For purposes of this insurance, **electronic data** is intangible property.

NUCLEAR

5. a. With respect to which any **insured** under this policy is also an **insured** under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an **insured** under any such policy but for its termination upon exhaustion of its Limits of Insurance; or
- b. Resulting from the **hazardous properties of nuclear material** and with respect to which:
 - (1) A person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or

- (2) Any **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization; or
- c. Any injury or **nuclear property damage** resulting from the **hazardous properties of nuclear material**, if:
- (1) The **nuclear material**:
 - (a) Is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - (b) Has been discharged or dispersed therefrom;
 - (2) The **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any **insured**; or
 - (3) The injury or **nuclear property damage** arises out of the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this subparagraph (3) applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

As used in this exclusion:

- a. **Hazardous properties** include radioactive, toxic or explosive properties.
- b. **Nuclear Facility** means:
 - (1) Any **nuclear reactor**;
 - (2) Any equipment or device designed or used for:
 - (a) Separating the isotopes of uranium or plutonium,
 - (b) Processing or utilizing **spent fuel**, or
 - (c) Handling, processing or packaging **waste**;
 - (3) Any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of any **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- c. **Nuclear material** means **source material**, **special nuclear material** or **by-product material**.
- d. **Nuclear property damage** includes all forms of radioactive contamination of property.
- e. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- f. **Source material**, **special nuclear material** and **by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- g. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.
- h. **Waste** means any waste material:
 - (1) Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
 - (2) Resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**.

VIOLATION OF STATUTES

6. Resulting from or arising directly or indirectly out of any action or omission that violates or is alleged to violate:
 - a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c. The Fair Credit Reporting Act (FCRA) and any amendment or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
- d. Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

WAR AND MILITARY ACTION

7. Arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that contributes concurrently or in any sequence to injury or damage.

B. Under **Coverage A** this policy does not apply to any liability, damage, **loss**, cost or expense:

POLLUTION

1. Arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**. However, this subparagraph does not apply to:
 - (1) Bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2) Bodily injury or property damage for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to **underlying insurance** as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that additional insured; or
 - (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**;
- b. At or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
- c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you maybe legally responsible; or
- d. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor. However, this subparagraph does not apply to:
 - (1) Bodily injury or property damage arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operation fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the bodily injury or property damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (2) Bodily injury or property damage sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor;

- (3) Bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.
- e. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**.
- f. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, any auto for which coverage is provided by **underlying insurance**;
 - (2) Otherwise in the course of transit by or on behalf of any **insured**; or
 - (3) Being stored, disposed of, treated or processed in or upon any auto.

However, this subparagraph **f.** does not apply to bodily injury or property damage arising out of:

- (i) The escape of fuels, lubricants, other operating fluids, exhaust gases or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto; or
 - (ii) The escape of **pollutants** from a covered auto that directly results from the collision, upset or overturn of such auto while in the course of transit away from any premises owned by or rented to any **insured**.
2. Arising out of any:
- a. Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**; or
 - b. Claim or **suit** brought by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **pollutants**.

C. Under Coverage B this policy does not apply to:

AIRCRAFT, AUTOS OR WATERCRAFT

- 1. Any liability, damage, **loss**, cost or expense arising out of the ownership, maintenance, operation, use, loading or unloading or entrustment to others of any
 - a. Aircraft owned by you or rented, loaned or chartered by or on behalf of you without crew;
 - b. **Auto**; or
 - c. Watercraft owned by you except watercraft while ashore on premises you own or rent.

This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **insured**.

EMPLOYEE INJURY

- 2. Any injury to:
 - a. An **employee** of the **insured** arising out of and in the course of:
 - (1) Employment by the **insured**; or
 - (2) Performing duties related to the conduct of the **insured's** business; or
 - b. Any injury to the spouse, domestic partner, child, parent, brother, or sister of that **employee** as a consequence of exclusion **2.a.** above.

This exclusion applies whether the **insured** may be liable as an employer or in any other capacity, or to any obligation to share damages with or repay someone else who must pay damages because of an injury.

IMPAIRED PROPERTY

- 3. **Property damage to impaired property** or property that has not been physically injured arising out of:
 - a. A defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or

- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

INTENTIONAL INJURY

- 4. **Bodily injury** or **property damage** expected or intended from the standpoint of the **insured**. This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or property.

PERSONAL and ADVERTISING INJURY

5. Personal and advertising injury:

- a. Caused by or at the direction of the **insured** with the knowledge that the act would violate the rights of another and would inflict **personal and advertising injury**;
- b. Arising out of oral or written publication of material, if done by or at the direction of the **insured** with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of any **insured**;
- e. For which the **insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement;
- f. Arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**;
- g. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **advertisement**;
- h. Arising out of the wrong description of the price of goods, products or services stated in your **advertisement**;
- i. Arising out of the infringement of copyright, patent, trademark, trade secret, trade dress, slogan or other intellectual property rights.

However, this exclusion does not apply to infringement of copyright, trade dress or slogan in your **advertisement**;

- j. Committed by an **insured** whose business is:
 - (1) Advertising, broadcasting, publishing, electronic publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access or content provider.

However, this exclusion **5.j.**, does not apply to sub-paragraphs **C.**, **12. a.**, **b.**, **c.** and **h.** of **personal and advertising injury** under **SECTION V. DEFINITIONS**.

For purposes of this exclusion **5.j.**, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- k. Arising out of an electronic chatroom or bulletin board the **insured** hosts, owns or over which the **insured** exercises control; or
- l. Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

POLLUTION

6. Any liability, damage, **loss**, cost or expense:

- a. Arising directly or indirectly out of the actual, alleged or threatened existence, discharge, seepage, migration, dispersal, release or escape of **pollutants**; or
- b. Arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
- (2) Claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

PRODUCT RECALL

7. Damages claimed for any **loss**, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. **Your product**;
- b. **Your work**; or
- c. **Impaired property**;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.

PROPERTY DAMAGE

8. **Property damage** to:

- a. Property you own, rent or occupy, including any costs or expenses incurred by you, or any person or organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises you sell, give away or abandon if the **property damage** arises out of any part of those premises;
- c. Property loaned to you;
- d. Personal property in your care, custody or control;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it;
- g. **Your product** arising out of it or any part of it; or
- h. **Your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

- D. Under **Coverage C**, this policy does not apply to any **casualty business crisis** arising out of, based upon or attributable to:

PRIOR NOTICE

1. Facts alleged, or to the same or related acts alleged or contained, in any crisis, claim or **suit** that has been reported, or in any circumstances where notice has been given under any policy of which this policy or any **underlying insurance** is a renewal or replacement; or

PENDING OR PRIOR CRISIS CLAIM OR SUIT

2. Any pending or prior claim or **suit** as of the inception date of this policy.

SECTION V. DEFINITIONS

In this policy, words and phrases appearing in bold face type have the definitions shown below.

- A. The following definitions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Designated insured** means:

- a. The person(s) and organization(s) specifically described under **SECTION V. DEFINITIONS**, sub-paragraphs **C.6.a.** through **C.6.e.** below for any **insured**; or
- b. Any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit**.

2. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
3. **Loss** means those sums actually paid that the **insured** is legally obligated to pay as damages for the settlement or satisfaction of a claim because of injury or offense, after making proper deductions for all recoveries and salvage. However:
 - a. Under **Coverage A**:
 - (1) **Loss** also includes defense expenses and supplementary payments if **underlying insurance** includes defense expenses and supplementary payments in the Limits of Insurance; and
 - (2) **Loss** does not include defense expenses and supplementary payments if **underlying insurance** does not include defense expenses and supplementary payments in the Limits of Insurance.
 - b. Under **Coverage B**, **loss** does not include defense expenses and supplementary payments.
4. **Other insurance** means a policy of insurance providing coverage that this policy also provides. **Other insurance** includes any type of self-insurance or other mechanisms by which an **insured** arranges for funding of legal liabilities.
Other insurance does not include **underlying insurance** or a policy of insurance specifically purchased to be excess of this policy providing coverage that this policy also provides.
5. **Pollutants** mean any man-made or naturally occurring solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to: smoke; vapor; soot; fumes; acids; alkalis; chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
6. **Suit** means a civil proceeding in which injuries or damages to which this insurance applies are alleged. **Suit** includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the **insured** must submit pursuant to law or contract or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **insured** submits with our consent.
7. **Underlying insurance** means the policy or policies of insurance listed in the Schedule of Underlying Insurance forming a part of this policy. We will only be liable for amounts in excess of the Limits of Insurance shown in the Schedule of Underlying Insurance for any **underlying insurance**.

B. The following definitions are applicable to **Coverage A** only:

1. **Hostile fire** means one which becomes uncontrollable or breaks out from where it was intended to be.
2. **Insured** means:
 - a. You;
 - b. Any person or organization included as an **insured** in **underlying insurance**; and
 - c. Any person or organization qualifying as an additional **insured** in **underlying insurance** but only to the same extent that such person or organization is an additional **insured** under such **underlying insurance**.
3. **Non-Admitted Jurisdiction** means:
 - a. Any country or political subdivision in which we are not licensed or permitted to insure risks and where doing so would violate the insurance laws and regulations of such jurisdiction; or
 - b. Any country or political subdivision where we are prevented by law from investigating, defending or settling an **occurrence** or **suit**.
4. **Occurrence** means a covered event as defined in **underlying insurance**.
5. **Qualified Entity** means any entity, person or organization that is not an **insured** under this policy and would qualify as an **insured** under this policy, but for the fact that the entity is registered, domiciled or has ongoing operations in a **non-admitted jurisdiction**.

C. The following definitions are applicable to **Coverage B** only:

1. **Advertisement** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For purpose of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding websites, only that part of a website that is about your goods, products or services for the purpose of attracting customers or supporters is considered an **advertisement**.
2. **Auto** means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, **auto** does not include **mobile equipment**.
3. **Bodily injury** means physical injury, sickness, or disease, including death of a person. **Bodily injury** to such person also means mental anguish, mental injury, humiliation, or shock if directly resulting from physical injury, sickness, or disease.
4. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
5. **Impaired property** means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:
 - a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

 - a. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - b. Your fulfilling the terms of the contract or agreement.
6. **Insured** means:
 - a. You, if you are an organization shown in the Declarations, other than a partnership, joint venture or limited liability company. Your executive officers and directors are **insureds**, but only with respect to their duties as your executive officers or directors. Your stockholders are also **insureds**, but only with respect to their liability as stockholders;
 - b. You, if you are a partnership or joint venture shown in the Declarations. Your members, your partners, and their spouses or domestic partners are also **insureds**, but only with respect to the conduct of your business;
 - c. You and your spouse or domestic partner, if you are an individual shown in the Declarations, but only with respect to the conduct of a business of which you are the sole owner;
 - d. You, if you are a limited liability company shown in the Declarations. Your members are also **insureds**, but only with respect to the conduct of your business. Your managers are **insureds**, but only with respect to their duties as your managers;
 - e. You, if you are a trust shown in the Declarations. Your trustees are also **insureds**, but only with respect to their duties as trustees;
 - f. Your **employees**, but only for acts within the scope of their employment by you;
 - g. Your **volunteer workers**, but only while performing duties related to the conduct of your business;
 - h. Any person or organization while acting as your real estate manager; or
 - i. Your legal representative if you die, but only with respect to duties as such.

No person or organization is an **insured** with respect to the conduct of any current, past or newly formed partnership, limited liability company or joint venture that is not designated within the Declarations of this policy as **Named Insured**.

7. **Insured contract** means any written or oral agreement entered into by the **insured** in the usual course of the business operations of the **insured** in which the **insured** assumes the tort liability of another to pay damages because of **bodily injury** or **property damage** to a third person or organization where the contract or agreement is made prior to the injury or damage. Liability means a liability that would be imposed by law in the absence of any contract or agreement.
8. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
9. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers.
 - e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers.
 - f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above, maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but are considered **autos**:

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on an **auto** or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

10. **Named insured** means:
 - a. The person(s) and organization(s) designated in Item **1.** of the Declarations of this policy;
 - b. Any organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply, other than one which you newly acquire or form; or

- c. Any newly acquired or formed organization, other than a partnership, joint venture or limited liability company, over which you maintain majority interest and to which more specific insurance does not apply; provided that this policy does not apply to any injury or damage that took place before you acquired or formed the organization.

11. Occurrence means:

- a. With respect to **bodily injury** or **property damage** liability, an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- b. With respect to **personal and advertising injury**, a covered offense. All damages that arise from the same act, publication or general conditions are considered to arise out of the same **occurrence**, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.

12. Personal and advertising injury means injury, including consequential **bodily injury**, arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your **advertisement**;
- g. Infringement upon another's copyright, trade dress or slogan in your **advertisement**; or
- h. Discrimination (unless insurance thereof is prohibited by law), not arising out of or related to employment practices.

Personal and advertising injury also means mental anguish, mental injury, humiliation, or shock, if directly resulting from an offense listed in Items **12.a.** through **12.h.** above.

13. Products-completed operations hazard means all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:

- a. Products that are still in your physical possession; or
- b. Work that has not yet been completed or abandoned. **Your work** will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in your contract has been completed;
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include **bodily injury** or **property damage** arising out of:

- a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the loading or unloading of it by any **insured**; or
- b. The existence of tools, uninstalled equipment or abandoned or unused materials.

14. Property damage means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.

15. **Retained limit** means the amount of damages applicable to each **occurrence** for which the **insured** is responsible that is shown in Item 5. of the Declarations.
16. **Temporary worker** means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.
17. **Volunteer worker** means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

18. **Your product** means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**; and
- b. The providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for use of others but not sold.

19. **Your work** means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
- b. The providing of or failure to provide warnings or instructions.

D. The following definitions are applicable to **Coverage C** only:

1. **Casualty business crisis** means an event that in the good faith opinion of your **principal**, in the absence of **casualty business crisis services**, has been or may be associated with:

- a. Damages covered by this policy under **Coverage A** that are in excess of the applicable limits of **underlying insurance** or under **Coverage B** that are in excess of the **Retained Limit**; and
- b. Significant adverse regional or national media coverage.

Casualty business crisis shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths or injuries, burns, dismemberment, traumatic brain injury, paraplegia, or contamination of food, drink or pharmaceuticals.

For purposes of **Coverage C**, a **casualty business crisis** will first commence when your **principal** first become aware of the **occurrence** and will conclude at the earliest of the time when the **casualty business crisis advisor** advises you that the crisis no longer exists or when the **Casualty Business Crisis Expense** Aggregate Limit has been exhausted.

2. **Casualty business crisis advisor** means any public relations firm or crisis management firm approved by us that is hired by you to perform **casualty business crisis services** in connection with a **casualty business crisis**.

3. **Casualty business crisis expense** means amounts paid:

- a. To you for the reasonable and necessary:
 - (1) Fees and expenses of a **casualty business crisis advisor** in the performance for you of **casualty business crisis services** solely for a covered **casualty business crisis**; and
 - (2) Amounts for printing, advertising, mailing of materials or travel by your directors, officers, employees or agents or a **casualty business crisis advisor** solely for a **casualty business crisis**; and
 - b. To others for the following reasonable and necessary expenses resulting from such covered **casualty business crisis** provided that such expenses have been approved by us:
 - (1) Medical expenses;
 - (2) Funeral expenses;
 - (3) Psychological counseling;
 - (4) Travel expenses;
 - (5) Temporary living expenses;
 - (6) Expenses to secure the scene of a **casualty business crisis**; and
 - (7) Any other expenses pre-approved by us.
4. **Casualty business crisis services** means those services performed by a **casualty business crisis advisor** in advising you on minimizing potential harm to you from a covered **casualty business crisis** by maintaining or restoring public confidence in you.
5. **Principal** means your Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if you are a partnership) or sole proprietor (if you are a proprietorship).

SECTION VI. CONDITIONS

A. The following Conditions are applicable to **Coverage A**, **Coverage B** and **Coverage C**.

1. **Appeals**

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the **underlying insurance**, we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and additional interest accruing during this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in **SECTION II.** of this policy.

2. **Audit of Books and Records**

We may audit and examine your books and records as they relate to this policy at any time during the period of this policy and for up to three (3) years after the expiration or termination of this policy.

3. **Bankruptcy or Insolvency**

The bankruptcy, insolvency or inability to pay of any **insured** will not relieve us from our obligation to pay damages covered by this policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer, the insurance afforded by this policy will not replace such **underlying insurance**, but will apply as if all the limits of any **underlying insurance** are fully available and collectible.

4. **Cancellation and Nonrenewal**

a. **Cancellation**

- (1) You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for cancellation, as well as the date when the cancellation is to take effect. Mailing notice to you at your mailing address shown in Item 2. of the Declarations will be sufficient to prove notice.

- (3) The policy period will end on the day and hour stated in the cancellation notice.
- (4) If this policy is cancelled, the final premium will be calculated pro rata based on the time this policy was in force.
- (5) Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, will be sufficient tender of any refund due you.

b. Nonrenewal

If we decide not to renew this policy, we will mail or deliver to the first **Named insured** shown in the Declarations written notice of the nonrenewal not less than thirty (30) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or a change in any part of this policy. This policy can only be changed by a written endorsement that becomes a part of this policy.

6. Currency

Settlements will be paid in United States currency or, when required, in the currency of the country or jurisdiction where the **loss** or **casualty business crisis** occurred. When conversion into another currency from United States currency is required to pay any **loss** or **casualty business crisis expense**, the rate of exchange will be determined on the date of the settlement. The rate of exchange will be the rate we incur in obtaining the foreign currency.

7. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first **Named Insured** will act on behalf of all other **insureds** for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation, for the receipt and acceptance of this policy and any endorsements forming a part of this policy, and for the receiving of any return premiums that become payable under this policy.

8. Inspection

We have the right, but are not obligated to inspect the **insured's** premises and operations at any time. Our inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premium to be charged. We may provide reports on the conditions we find. We may also recommend changes. While these reports may help reduce losses, we do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. We do not warrant that the premises or operations are safe or healthful, or that they comply with laws, regulations, codes or standards.

9. Entities That Are Registered, Domiciled or Have Ongoing Operations in Non-Admitted Jurisdictions

This condition applies solely with respect to entities that are registered, domiciled or have ongoing operations in **non-admitted jurisdictions**.

With respect to a **qualified entity**:

- a. Under **Coverage A**, we will reimburse the first **Named Insured** for **loss** incurred by a **qualified entity** that would have been covered this policy but for the fact that the **loss** was incurred by a **qualified entity** including:

- (1) Damages covered by this policy in excess of the total applicable limits of **underlying insurance**; and
- (2) Reasonable defense expenses incurred with our consent.

We have no duty to defend any person or organization against any claim or **suit** brought or proceeding instituted against any **qualified entity** in a **non-admitted jurisdiction**, but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.

- b. Coverage under this policy will not apply until the **qualified entity** or the **qualified entity's** underlying insurer has paid or is obligated to pay the full amount of the applicable limits of **underlying insurance**.

- c. The duties and requirements imposed upon any **insured** under this policy will not apply to any **non-admitted jurisdiction**. However, with respect to any claims made or **suits** brought in a **non-admitted jurisdiction**, it will be the duty of the first **Named Insured** to do or cause the applicable **qualified entity** to do such things as would be required of such **qualified entity** if **Coverage A** applied directly to such claim or **suit**, including:
 - (1) Make such investigation, defense or settlement as we deem reasonable;
 - (2) Obtain our approval for any payment; and
 - (3) Effect approved payments to others, in accordance with the terms and conditions of this insurance.
- d. Under **Coverage B**, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any operations or activities of a **qualified entity**.
- e. We will promptly pay the first **Named Insured** at the mailing address listed in Item **2.** of the Declarations the amount of damages covered under the terms of this policy. If the first **Named Insured** or any **qualified entity** recovers from any third party all or part of any amount that we have paid pursuant to this insurance, the first **Named Insured** will promptly reimburse the amount of any such recovery to us.

10. Legal Action Against Us

There will be no right of action against us under this insurance unless:

- a. You have complied with all the terms of this policy; and
- b. The amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

11. Maintenance of Underlying Insurance

During the period of this policy, you agree:

- a. To keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- b. That the Limits of Insurance of the policies listed in the Schedule of Underlying Insurance will be maintained except for any reduction or exhaustion of limits by payment of claims or **suits** for damages covered by **underlying insurance**;
- c. The policies listed in the Schedule of Underlying Insurance may not be canceled or not renewed by you without notifying us, and you agree to notify us in the event an insurance company cancels or declines to renew any policy listed in the Schedule of Underlying Insurance; and
- d. Renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be materially changed without our agreement.

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

12. Miscellaneous Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to describe completely, any premises or operations intended to be covered by this policy, shall not invalidate or affect the coverage for those operations or premises. However, the **insured** must report such error or omission to the company as soon as practicable after its discovery.

13. Other Insurance

If **other insurance** applies to damages that are also covered by this policy, this policy will apply excess of the **other insurance**. However, this provision will not apply:

- a. If the **other insurance** is written to be excess of this policy; or
- b. With respect to **Coverage A** only, if the **named insured** has agreed in a written contract to carry insurance to apply prior to and be non-contributory with that of another person or organization's insurance, but only as respects damages arising out of insured operations or work on behalf of the **named insured** performed under such written contract. The limits available to the other person or organization will be the lesser of the policy limits or the minimum limits required by such written contract. In that case, **other insurance** of that person or organization will apply as excess and not contribute prior to the insurance afforded by this policy.

Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such other insurance.

14. Premium

The premium for this policy as stated in Item 6. of the Declarations is a flat premium. It is not subject to adjustment unless an endorsement is attached to this policy.

15. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first **Named Insured**, this insurance applies:

- a. As if each **named insured** were the only **named insured**; and
- b. Separately to each **insured** against whom claim is made or **suit** is brought.

16. Terms Conformed to Statute

The terms of this policy which are in conflict with the statutes, laws, ordinances or regulations in any country, jurisdiction, state or province where this policy is issued are amended to conform to such statutes, laws, ordinances or regulations. If we are prevented by law or statute from paying on behalf of the **insured**, then we will, where permitted by law or statute, indemnify the **insured**.

17. Transfer of Rights of Recovery Against Others to Us

- a. If the **insured** has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. The **insured** must do nothing after the **loss** to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

However, if any **insured** is required by a written contract or agreement which is executed before a **loss** to waive their rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations for which the **insured** has not waived their rights of recovery by contract.

- b. Any amount recovered will be apportioned in the inverse order of payment of **loss** to the extent of actual payment. The expenses of all such recovery proceedings will be apportioned in the ratio of respective recoveries.

18. Transfer of Your Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. If you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having temporary custody of your property will have your rights and duties but only with respect to that property.

19. When Loss is Payable

Coverage under this policy will not apply until the **insured**, or the **insured's** underlying insurer has paid or is legally obligated to pay the full amount of the Underlying Limits of Insurance or **Retained Limit**.

When the amount of **loss** is determined by an agreed settlement or on a final judgment against an **insured** obtained after an actual trial, we will promptly pay on behalf of the **insured** the amount of **loss** covered under the terms of this policy. The first **Named Insured** will promptly reimburse us for any amount within the **Retained Limit** paid by us.

20. Violation of Economic or Trade Sanctions

If coverage for a claim or **suit** under this policy is in violation of any economic or trade sanctions of the United States of America then coverage for that claim or **suit** will be null and void.

B. The following Condition is applicable to **Coverage A** and **Coverage B**:

1. Notice of Occurrence, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an **occurrence** which may result in damages covered by this policy.

To the extent possible, notice will include:

- (1) How, when and where the **occurrence** took place;

- (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the **occurrence**.
- b. Knowledge of an **occurrence** by the agent, servant or **employee** of yours, shall not in itself constitute knowledge by the **insured** unless you, or any **employee** authorized by you to give or receive notice of an **occurrence**, claim or **suit** shall have received such notice from the agent, servants or **employee**.
- c. If a claim or **suit** against any **Insured** is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
- d. You and any other involved **insured** must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of injury or damage to which this insurance may also apply.
- e. The **insureds** will not, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- f. Your failure to give notice of an **occurrence** to us shall not invalidate coverage under this policy if the **occurrence** was inadvertently reported to another Insurer. However, you shall report any such **occurrence** to us as soon as practicable once you become aware of such error.

C. The following Conditions are applicable to **Coverage C**:

1. **Notice of a Casualty Business Crisis**

You must see to it that we are notified of a **casualty business crisis** as soon as practicable after it first commences. Such notice shall include a description of the **casualty business crisis** and the reason it is likely to involve damages covered by this policy in excess of the applicable limits of **underlying insurance** under **Coverage A** or **Retained Limit** under **Coverage B** and significant adverse regional or national media coverage. We will not be liable for **casualty business crisis expense** incurred prior to, or more than one hundred eighty (180) days after the date notice of such **casualty business crisis** is first given to us. Notice to us shall be given to Zurich Claim Reporting, Care Center, P.O. Box 49547, Colorado Springs, CO 80949, Phone 1-800-987-3373, Fax 1-877-962-2567, E-Mail USZ Care Center@Zurichna.com.

2. **Arbitration**

If you and we disagree as to whether a **casualty business crisis** has occurred, both parties may, by mutual consent agree in writing to arbitration of the disagreement and the right to any reimbursement for **casualty business crisis expense**.

In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, both parties must request that selection be made by a judge of a court having jurisdiction. Each party will:

- a. Pay the expenses it incurs; and
- b. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the state, county or parish in which the address shown in the Declarations is located. Local rules of law as to procedure and evidence will apply.

Endorsement # 01

Certified Act of Terrorism Retained Amount Provisions – Coverage B



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CERTIFIED ACT OF TERRORISM RETAINED AMOUNT SCHEDULE

Each Occurrence Retained Amount:	\$ 1,000,000
Products/Completed Operations Aggregate Retained Amount:	\$ 2,000,000
Other Aggregate Retained Amount:	\$ 2,000,000

Certified Act of Terrorism Retained Amount Provisions – Coverage B

The following additional provisions apply under **Coverage B** of this policy as respects any liability, damage, **loss**, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**, including any action taken in hindering or defending against an actual or expected **certified act of terrorism**, regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage:

- A.** The Retained Amounts shown in the Schedule above apply in place of the **Coverage B retained limit** specified in Item **5.** of the Declarations, or any amount payable by **other insurance**, whichever is greater, and are the only **retained amount** provisions applying to any **loss**, claim or **suit** from a **certified act of terrorism**. These provisions do not apply to any other **loss**, claim or **suit** not involving a **certified act of terrorism** that would still be subject to the applicable **Coverage B retained limit** amount. The specific **retained amounts** applying to **certified acts of terrorism** are as follows:
1. The Each Occurrence Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible applicable to each **occurrence**.
 2. The Products-Completed Operations Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** included within the **products-completed operations hazard**.
 3. The Other Aggregate Retained Amount shown in the Schedule above is the total **retained amount** of damages for which the **insured** is responsible, applicable to all **occurrences** except for **occurrences** included within the **products-completed operations hazard**.
- B.** The following changes apply to **SECTION III. DEFENSE AND SUPPLEMENTARY PAYMENTS** as respects **Coverage B**, only as respects to a **loss**, claim or **suit** to which this endorsement applies:
1. We have the right and duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured** for damages covered by this policy under **Coverage B**, when the applicable **retained amount** has been exhausted by payment of claims.

2. In those circumstances where paragraph **B.1.** of this endorsement applies, in addition to the applicable Limits of Insurance, we will pay our expenses and the following to the extent that they are not included in **underlying insurance** or **other insurance**:
 - a. Up to \$2,000 for the cost of bail bonds. We do not have to furnish these bonds;
 - b. The cost of bonds to release attachments, but only for bond amounts within the amount of insurance available. We do not have to furnish these bonds;
 - c. Reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings because of time off work;
 - d. Costs taxed against the **insured** in the **suit**;
 - e. Pre-judgment interest awarded against the **insured** on that part of the judgment we pay. However, if we make an offer to pay the applicable Limit of Insurance, we will not pay any pre-judgment interest on that period of time after the offer; and
 - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court that part of the judgment that is within the applicable Limits of Insurance.

3. In those circumstances where paragraph **B.1.** of this endorsement does not apply, we do not have the duty to assume control of the investigation and settlement of any claim, or defense of any **suit** against the **insured**. We do, however, have the right to participate in the investigation and settlement of any claim, or defense of any **suit** that we feel may create liability on our part under the terms of this policy. If we exercise this right, we will do so at our expense.

We will not investigate and settle any claim, or defend any **suit** after we have exhausted the applicable Limit of Insurance as stated in Item 4. of the Declarations.

If we are prevented by law from carrying out the provisions of paragraph **B.1.** of this endorsement, we will pay any expense incurred with our consent.

- C. The following provision is added to **SECTION VI. CONDITIONS**, Paragraph **A.10. Notice of Occurrence, Claim or Suit**:

You must notify us immediately in writing of any claim or **suit** which seeks damages in an amount which is fifty (50) percent or more of the amount of the Each Occurrence Retained Amount stated in the Schedule of this endorsement.

- D. As used in this endorsement, **certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. TRIA provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

- E. As used in this endorsement, **retained amount** means the amount of damages for which the **insured** is responsible as shown in the Schedule of this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 02



Care, Custody Or Control Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** this policy does not apply to property damage to:

Under Coverage A this policy does not apply to property damage to: Real and/or Personal Property of others in the care, custody or control of the ins

of others in the care, custody or control of the **insured**.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Endorsement # 03



Employee Benefits Liability Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense imposed on any **insured** as a Fiduciary Administrator, or other party in interest arising out of any **Employee Benefits Program**, record handling in connection with any **Employee Benefits Program**, or effecting or terminating any employee's participation in any plan included in any **"Employee Benefits Program"**.

As used in this endorsement:

Employee Benefits Program means any group life insurance, group accident or health insurance, profit sharing plans, pension plans, stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits and any other similar plans.

Endorsement # 04



Foreign Operations Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. MIDDLEFIELD RD.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **insured's** operations or activities outside of the United States of America (including its territories and possessions), Puerto Rico or Canada whether or not the **insured's** responsibility to pay damages is determined in a **suit** on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.

Endorsement # 05



Lead Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
A. Under Coverage A and Coverage B this policy does not apply to:

1. Any liability, damage, **loss**, cost or expense arising out of, resulting from, caused by or contributed to by toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with paragraphs **1.** or **2.** above; or
4. Any obligation to share damages with or repay anyone else who must pay damages in connection with paragraphs **1.**, **2.**, or **3.** above.

Endorsement # 06



Personal and Advertising Injury Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
 590 E. MIDDLEFIELD RD.
 MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
 1732 N 1ST ST STE 400
 SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, damage, **loss**, cost or expense arising out of any **personal and advertising injury** offense.

Endorsement # 07



Fungus or Bacteria Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage A** and **Coverage B** this policy does not apply to any liability, damage, **loss**, cost or expense:

- A.** Caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - 1. Fungi, or bacteria; or**
 - 2. Substance, vapor or gas produced by or arising out of any fungi or bacteria.**
- B.** Arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, **fungi or bacteria**, by any **insured** or by any other person or entity.

Definitions

As used in this endorsement:

- 1. Bacteria** means any type or form of bacteria and any materials or substances that are produced or released by bacteria.
- 2. Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, **spores**, scents or by-products produced or released by fungi.
- 3. Spores** means reproductive bodies produced by or arising out of **fungi**.

This exclusion does not apply to any **fungi or bacteria** that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Endorsement # 08



Technology Errors and Omissions Follow Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
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MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Under **Coverage B** only, this policy does not apply to any liability, **damages, loss**, cost or expense arising out of:

1. The failure of **your product** to perform the function or serve the purpose intended;
2. The performance or nonperformance of **your work**;
3. Purchase or contract price for **your product** or **your work**;
4. Disgorgement of profits, restitution, or any money or credits that represent any gain, profit, or advantage to which you are not legally entitled; or
5. Criminal or civil penalties.

As used in this endorsement the following definitions apply:

1. **Damages** means a monetary amount to compensate for a **wrongful act**.
2. **Wrongful act** means an error or omission by or on behalf of any **insured**.
3. **Your product** means
 - a. Any goods or products manufactured, developed, designed, created, sold, handled, licensed, marketed, distributed, or disposed of by you or on your behalf, including but not limited to:
 - 1) Computer software or computer programming;
 - 2) Electronic or computer equipment, components, or peripherals;
 - 3) Telecommunications or broadcasting equipment; or
 - 4) Industrial or robotic equipment; and
 - b. Containers (other than vehicles), materials, parts, or equipment furnished in connection with such goods or products.

Your product includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your product**; and
- b. The providing of or failure to provide warnings or instructions.

4. Your work means:

- a.** Work or operations performed by you or on your behalf, including but not limited to:
 - 1)** Installation, service, technical support, system integration, maintenance, repair, consulting, or analysis of:
 - a)** Computer software or computer programming;
 - b)** Electronic or computer equipment, components, or peripherals;
 - c)** Telecommunications or broadcasting equipment; or
 - d)** Industrial or robotic equipment;and any training services provided in conjunction with the above activities;
 - 2)** Electronic processing, management, mining, or warehousing of data or records for others;
 - 3)** Providing multimedia services, including but not limited to:
 - a)** Television broadcasting;
 - b)** Cable and satellite broadcasting;
 - c)** Radio broadcasting;
 - d)** Electronic broadcasting;
 - e)** Internet access; or
 - f)** Website design;
 - 4)** Providing telecommunication services, including but not limited to:
 - a)** Wire based telecommunications;
 - b)** Wireless telecommunications; or
 - c)** Paging services; and
 - 5)** Administration, management, operation, or hosting of systems, technology, or computer facilities for another person or organization; and
- b.** Materials, parts, or equipment furnished in connection with such work or operations.

Your work includes:

- a.** Warranties or representations made at any time with respect to the fitness, quality, durability, performance, or use of **your work**; and
- b.** The providing of or failure to provide warnings or instruction.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 09



Sanctions Exclusion Endorsement

Policyholder: OMNICELL, INC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED



Important Notice - In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy. IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Handwritten signature of Nancy D. Mueller in black ink.

President

Handwritten signature of Daniel J. Kennedy in black ink.

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8 a.m. - 4 p.m. [CT])
Email: info.source@zurichna.com

Endorsement # 10



Cap On Losses From Certified Acts Of Terrorism

Insured's Name	Policy Number	Effective Date	Endorsement Number
OMNICELL, INC	AUC 5912288-03	09/01/2015	10

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance.

Commercial Umbrella Liability Policy

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.



California Cancellation and Nonrenewal Endorsement **ZURICH**[®]

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000	-----	-----

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

A. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, a. Cancellation, paragraph (2), is deleted and replaced with the following:

- (2) We may cancel this policy. If we cancel because of non-payment of premium, we will mail or deliver to you at the address shown on your policy not less than ten (10) days advance written notice when the cancellation is to take effect. If we cancel for any other reason, we will mail or deliver to you not less than ninety (90) days advance written notice stating the reason(s) for the cancellation and stating when the cancellation is to take effect. Mailing or delivery of the notice of cancellation to you shall be deemed to have been given to all **insureds**.
- (a) If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy we issued, we may cancel this policy for any reason.
- (b) If this policy has been in effect for sixty (60) days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy for one or more of the following reasons:
- i. Non-payment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks;
 - ii. Discovery of fraud or material misrepresentation by any **insured** or his or her representative in obtaining this insurance or in pursuing a claim under this policy;
 - iii. A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against;
 - iv. Discovery of willfully or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against;
 - v. Failure by you or your representative to implement reasonable loss control requirements, agreed to as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against;
 - vi. A determination by the Commissioner of Insurance that the loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency;
 - vii. A determination by the Commissioner of Insurance that continuation of the policy coverage would place us in violation of California law or the laws of the state where we are domiciled or threaten our solvency;

- viii. A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased, or changed risk is included in the policy;
 - ix. A material change in limits, type or scope of coverage, or exclusions in one or more of the underlying policies;
 - x. Cancellation or nonrenewal of one or more of the underlying policies where such policies are not replaced without lapse;
 - xi. A reduction in financial rating or grade of one or more insurers, insuring one or more underlying policies based on an evaluation obtained from a recognized financial rating organization.
- (c) If we cancel for non-payment of premium, you may continue coverage and avoid the effect of cancellation by payment in full at any time prior to the effective date of cancellation.

B. SECTION VI. CONDITIONS, A., 4. Cancellation and Nonrenewal, b. Nonrenewal, is deleted and replaced with the following:

b. Nonrenewal

- (1) If we decide not to renew this policy, we will mail or deliver notice of nonrenewal at least sixty (60) days, but not more than one hundred, twenty (120) days before the expiration date of this policy. Such notice will be mailed or delivered to you at the mailing address last known to us, and to the producer of record (if any). Proof of mailing will be sufficient proof of notice. Mailing or delivery of the notice of nonrenewal shall be deemed to have been given to all **insureds**.
- (2) We need not provide notice of nonrenewal if:
 - (a) The transfer or renewal of a policy, without any changes in terms, conditions, or rates, is between us and a member of our insurance group;
 - (b) The policy has been extended for ninety (90) days or less, provided that notice has been given in accordance with paragraph (1);
 - (c) You have obtained replacement coverage, or if you have agreed, in writing, within sixty (60) days of the termination of the policy, to obtain that coverage;
 - (d) The policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed;
 - (e) You request a change in the terms or conditions or risks covered by the policy within sixty (60) days of the end of the policy;
 - (f) We have made a written offer to you, in accordance with paragraph (1), to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%;
 - (g) The policy has been designated as nonrenewable.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 11

Exclusion-Recording And Distribution Of Material Or Information In Violation Of Law



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Umbrella Liability Policy

Under **Section IV. Exclusions**, paragraph **A. 6. Violation Of Statutes** is replaced by the following:

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW

- 6.** Directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:
- a.** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - b.** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - c.** The Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law including the Fair and Accurate Credit Transactions Act (FACTA); or
 - d.** Any federal, state or local statute, ordinance, or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA, and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms, conditions, provisions and exclusions of this policy remain the same.

Endorsement # 12



Umbrella Amendatory Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
AUC 5912288-03	09/01/2015	09/01/2016	09/01/2015	70074000		

Named Insured and Mailing Address:

OMNICELL, INC
590 E. MIDDLEFIELD RD.
MOUNTAIN VIEW, CA 94043-1337

Producer:

MARSH RISK & INSURANCE SERVICES
1732 N 1ST ST STE 400
SAN JOSE, CA 95112-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Umbrella Liability Policy

- A.** Under **SECTION IV. EXCLUSIONS**, Paragraph **C.5. Personal and Advertising Injury**, Subparagraphs **b.** and **c.** are replaced by the following:
- b.** Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the **insured** with knowledge of its falsity;
 - c.** Arising out of oral or written publication, in any manner, of material, whose first publication took place before the beginning of the policy period;
- B.** Under **SECTION V. DEFINITIONS**, Paragraph **C.2. Auto**, Subparagraph **b.** is replaced by the following:
- b.** Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged;
- C.** Under **SECTION V. DEFINITIONS**, Paragraph **C.9. Mobile equipment**, the last Paragraph under the definition of **Mobile equipment** is replaced by the following:
- However, **mobile equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **autos**.

All other terms, conditions, provisions and exclusions of this policy remain the same.

EXHIBIT I

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6/6/2018 11:14 AM
2018-CH-07161
CALENDAR: 05
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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION
CLERK DOROTHY BROWN

YANA MAZYA, individually, and on behalf of)	
all others similarly situated,)	
)	
Plaintiff,)	
)	Case No.
v.)	
)	
NORTHWESTERN LAKE FOREST)	JURY TRIAL DEMANDED
HOSPITAL, NORTHWESTERN MEMORIAL)	
HEALTHCARE, OMNICELL, INC. and)	
BECTON DICKINSON,)	
)	
Defendants.)	
)	

COMPLAINT

Plaintiff, Yana Mazya, brings this Complaint ("Complaint"), by and through her attorneys, individually and on behalf of all others similarly situated (the "Class"), brings the following Class Action Complaint ("Complaint") pursuant to the Illinois Code of Civil Procedure, 735 ILCS §§ 5/2-801 and 2-802, against Northwestern Medical Lake Forest Hospital and Northwestern Medical Memorial HealthCare ("Northwestern"), Omnicell, Inc. and Becton, Dickinson and Company ("BD") (collectively "Defendants") to redress and curtail Defendants' unlawful collection, use, storage, and disclosure of Plaintiff's sensitive biometric data. Plaintiff alleges as follows upon personal knowledge as to herself, her own acts and experiences and, as to all other matters, upon information and belief, including investigation conducted by her attorneys.

NATURE OF THE ACTION

1. Defendant Northwestern Medical Lake Forest Hospital (“NLFH”) is a community hospital in the State of Illinois. Upon information and belief, Northwestern Medical Memorial HealthCare (“NMH”) is the hospital’s parent company.

2. When Northwestern hires an employee, he or she is enrolled in an employee database. Northwestern uses the employee database to monitor authorized access to stored materials (*i.e.* – medications) by its employees.

3. Northwestern employees are required to have their fingerprints scanned by a biometric device to be able to gain authorized access to stored materials. (*See* Exhibit A – New Hire Checklist).

4. For example, Northwestern uses medication dispensing systems (*i.e.* – BD Pyxis and Omnicell) that require workers to scan a fingerprint before gaining access to stored materials.

5. Unlike identification badges – which can be changed or replaced if stolen or compromised – fingerprints are unique, permanent biometric identifiers associated with each employee. This exposes Northwestern employees to serious and irreversible privacy risks. For example, if a database containing fingerprints or other sensitive, proprietary biometric data is hacked, breached, or otherwise exposed – like in the recent Yahoo, eBay, Equifax, Uber, Home Depot, MyFitnessPal, Panera, Whole Foods, Chipotle, Omni Hotels & Resorts, Trump Hotels and Facebook/Cambridge Analytica data breaches – employees have no means by which to prevent identity theft, unauthorized tracking, and other improper or unlawful use of this information.

6. Recognizing the need to protect its citizens from situations like these, Illinois enacted the Biometric Information Privacy Act (“BIPA”), 740 ILCS 14/1, *et seq.*, specifically to regulate the collection and storage of Illinois citizens’ biometrics, such as fingerprints.

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7. Despite this law, Defendants disregard these workers' statutorily protected privacy rights and unlawfully collect, store, and use their biometric data in violation of BIPA. Specifically, each Defendant has violated and continues to violate BIPA because they did not and continue not to:

- a. Properly inform Plaintiff and others similarly situated in writing of the specific purpose and length of time for which their fingerprints were being collected, stored, and used, as required by BIPA;
- b. Provide a publicly available retention schedule and guidelines for permanently destroying Plaintiff's and other similarly-situated individuals' fingerprints, as required by BIPA; and
- c. Receive a written release from Plaintiff and others similarly situated to collect, store, disseminate or otherwise use their fingerprints, as required by BIPA.

8. Plaintiff and other similarly-situated individuals are aggrieved because they were not: (1) informed in writing of the purpose and length of time for which fingerprints were being collected, stored, disseminated and used; (2) provided a publicly available retention schedule or guidelines for permanent destruction of the biometric data; and (3) provided (nor did they execute) a written release, as required by BIPA.

9. Additionally, Plaintiff and the class members are aggrieved because Northwestern improperly discloses employees' fingerprint data to out-of-state third-party vendors in violation of BIPA.

10. Upon information and belief, Northwestern improperly discloses employees' fingerprint data to at least two third-party vendors, Omnicell and BD, and likely others.

11. Upon information and belief, all Defendants lack retention schedules and guidelines for permanently destroying Plaintiff's and other similarly-situated individuals' biometric data and has not and will not destroy their biometric data as required by BIPA.

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12. Plaintiff and other similarly situated are aggrieved by each Defendant's failure to destroy its biometric data when the initial purpose for collecting or obtaining such data has been satisfied or within three years of the employee's last interactions with the company.

13. Plaintiff and other similarly-situated individuals have suffered an injury in fact based on each Defendant's violations of their legal rights.

14. These violations have raised a material risk that Plaintiff's and other similarly-situated individuals' biometric data will be unlawfully accessed by third parties. The Illinois Attorney General has just ranked identity theft as the top scam targeting Illinois residents. (*See* Exhibit B).

15. Each Defendant is directly liable for, and had actual knowledge of, the BIPA violations alleged herein.

16. Accordingly, Plaintiff, on behalf of herself as well as the putative Class, seeks an Order: (1) declaring that Defendants' conduct violates BIPA; (2) requiring Defendants to cease the unlawful activities discussed herein; and (3) awarding statutory damages to Plaintiff and the proposed Class.

PARTIES

17. Plaintiff Yana Mazya is a natural person and a citizen of the State of Illinois.

18. Defendant Northwestern Medical Lake Forest Hospital is a not-for-profit corporation and a subsidiary of Northwestern Memorial HealthCare organized and existing under the laws of the State of Illinois, with its principal place of business in Chicago, Illinois. Defendant is registered with the Illinois Secretary of State and conducts business in the State of Illinois.

19. Defendant Northwestern Medical Memorial HealthCare is a not-for-profit corporation organized and existing under the laws of the State of Illinois, with its principal place

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of business in Chicago, Illinois. Defendant is registered with the Illinois Secretary of State and conducts business in the State of Illinois, including Cook County.

20. Defendant Omnicell, Inc. is a Delaware corporation that is registered to do business in Illinois.

21. Defendant Becton, Dickinson and Company is a New Jersey corporation that is registered to do business in Illinois.

JURISDICTION AND VENUE

22. This Court has jurisdiction over Defendants pursuant to 735 ILCS § 5/2-209 because they conduct business transactions in Illinois, have committed tortious acts in Illinois, and are registered to conduct business in Illinois.

23. Venue is proper in Cook County because Defendants conduct business in Cook County.

FACTUAL BACKGROUND

I. The Biometric Information Privacy Act.

24. Major national corporations started using Chicago and other locations in Illinois in the early 2000s to test “new applications of biometric-facilitated financial transactions, including finger-scan technologies at grocery stores, gas stations, and school cafeterias.” 740 ILCS § 14/5(c). Given its relative infancy, an overwhelming portion of the public became weary of this then-growing yet unregulated technology. *See* 740 ILCS § 14/5.

25. In late 2007, a biometrics company called Pay by Touch, which provided major retailers throughout the State of Illinois with fingerprint scanners to facilitate consumer transactions, filed for bankruptcy. That bankruptcy was alarming to the Illinois Legislature because suddenly there was a serious risk that millions of fingerprint records – which, like other unique

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biometric identifiers, can be linked to people's sensitive financial and personal data – could now be sold, distributed, or otherwise shared through the bankruptcy proceedings without adequate protections for Illinois citizens. The bankruptcy also highlighted the fact that most consumers who had used that company's fingerprint scanners were completely unaware the scanners were not transmitting fingerprint data to the retailer who deployed the scanner, but rather to the now-bankrupt company, and that their unique biometric identifiers could now be sold to unknown third parties.

26. Recognizing the “very serious need [for] protections for the citizens of Illinois when it [came to their] biometric information,” Illinois enacted BIPA in 2008. *See* Illinois House Transcript, 2008 Reg. Sess. No. 276; 740 ILCS 14/5.

27. Additionally, to ensure compliance, BIPA provides that, for each violation, the prevailing party may recover \$1,000 or actual damages, whichever is greater, for negligent violations and \$5,000, or actual damages, whichever is greater, for intentional or reckless violations. 740 ILCS 14/20.

28. BIPA is an informed consent statute which achieves its goal by making it unlawful for a company to, among other things, “collect, capture, purchase, receive through trade, or otherwise obtain a person's or a customer's biometric identifiers or biometric information, unless it first:

- a. Informs the subject in writing that a biometric identifier or biometric information is being collected or stored;
- b. Informs the subject in writing of the specific purpose and length of term for which a biometric identifier or biometric information is being collected, stored, and used; and
- c. Receives a written release executed by the subject of the biometric identifier or biometric information.

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See 740 ILCS 14/15(b).

29. Biometric identifiers include retina and iris scans, voiceprints, scans of hand and face geometry, and – most importantly here – fingerprints. *See* 740 ILCS 14/10. Biometric information is separately defined to include any information based on an individual's biometric identifier that is used to identify an individual. *Id.*

30. BIPA also establishes standards for how companies must handle Illinois citizens' biometric identifiers and biometric information. *See, e.g.,* 740 ILCS 14/15(c)-(d). For example, BIPA prohibits private entities from disclosing a person's or customer's biometric identifier or biometric information without first obtaining consent for such disclosures. *See* 740 ILCS 14/15(d)(1).

31. BIPA also prohibits selling, leasing, trading, or otherwise profiting from a person's biometric identifiers or biometric information (740 ILCS 14/15(c)) and requires companies to develop and comply with a written policy – made available to the public – establishing a retention schedule and guidelines for permanently destroying biometric identifiers and biometric information when the initial purpose for collecting such identifiers or information has been satisfied or within three years of the individual's last interaction with the company, whichever occurs first. 740 ILCS 14/15(a).

32. Compliance with BIPA is straightforward, and the necessary disclosures and written release can be achieved easily through a single, signed sheet of paper. BIPA's requirements bestow upon consumers a right to privacy in their biometrics, as well as the right to make informed decisions when electing to provide or withhold their most sensitive information and the terms upon which they do so.

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33. The Illinois legislature enacted BIPA due to the increasing use of biometric data in financial and security settings, the general public's hesitation to use biometric information, and – most significantly – the unknown ramifications of biometric technology. Biometrics are biologically unique to the individual and, once compromised, an individual is at a heightened risk for identity theft and left without any recourse.

34. BIPA provides individuals with a private right of action, protecting their right to privacy regarding their biometrics. BIPA also protects individuals' rights to know the precise nature for which their biometrics are used and how they are being stored and ultimately destroyed, allowing individuals to make a truly informed choice. Unlike other statutes that only create a right of action if there is a qualifying data breach, BIPA strictly regulates the manner in which entities may collect, store, use, and disseminate biometrics and creates a private right of action for lack of statutory compliance.

35. Plaintiff, like the Illinois legislature, recognizes how imperative it is to keep biometric information secure. Biometric information, unlike other personal identifiers such as a social security number, cannot be changed or replaced if hacked or stolen.

II. Defendants Violate the Biometric Information Privacy Act.

36. By the time BIPA passed through the Illinois Legislature in mid-2008, most companies who had experimented with using workers' biometric data as an authentication method stopped doing so.

37. However, Defendants failed to take note of the shift in Illinois law governing the collection and use of biometric data and still utilizes its biometric allowable-access regime. As a result, each Defendant continues to collect, store, use and disseminate workers' biometric data in violation of BIPA.

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38. Specifically, when employees are hired, Northwestern requires them to have their fingerprints scanned to enroll them in Northwestern's, BD's Pyxis and/or Omnicell's database(s).

39. Northwestern uses an authentication system that requires employees to use their fingerprint as a means of authentication to gain access to stored materials. Thus, employees have to use their fingerprints multiple times each day whenever they need to access these materials to perform their job duties in caring for patients.

40. Upon information and belief, Northwestern fails to inform their employees that it discloses employees' fingerprint data to at least two out-of-state third-party vendors, Omnicell and BD; fails to inform their employees of the purposes and duration for which it collects employees' sensitive biometric data; and fails to obtain written releases from employees before collecting their fingerprints.

41. Likewise, Omnicell and BD fails to inform Plaintiffs of the purposes and duration for which it collects their sensitive biometric data and fails to obtain written releases from workers before collecting their fingerprints.

42. Nor do Defendants provide workers with a written, publicly available policy identifying their retention schedule and guidelines for permanently destroying workers' fingerprints when the initial purpose for collecting or obtaining their fingerprints is no longer relevant, as required by BIPA.

43. The Pay by Touch bankruptcy that catalyzed the passage of BIPA, as well as the recent Equifax and Uber data breaches, highlight why conduct such as Defendants' – where individuals are aware that they are providing a fingerprint, but not aware of to whom or for what purposes they are doing so – is dangerous. The Pay by Touch bankruptcy spurred Illinois citizens and legislators into realizing that it is crucial for individuals to understand when providing

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biometric identifiers, such as a fingerprint, who exactly is collecting their biometric data, where it will be transmitted, for what purposes, and for how long. Each Defendant disregards these obligations and Plaintiffs' statutory rights and instead unlawfully collects, stores, uses and disseminates Plaintiffs' biometric identifiers and information, without ever receiving the individual's informed written consent required by BIPA.

44. Upon information and belief, all Defendants lack retention schedules and guidelines for permanently destroying Plaintiff's and other similarly-situated individuals' biometric data and has not and will not destroy Plaintiff's and other similarly-situated individuals' biometric data when the initial purpose for collecting or obtaining such data has been satisfied or within three years of the worker's last interactions with the company.

45. Plaintiffs are not told what might happen to their biometric data if and when any Defendant merges with another company, or worse, if and when any of the Defendant's entire organization folds.

46. Since Defendants neither publish a BIPA-mandated data retention policy nor disclose the purposes for their collection of biometric data, Northwestern's employees have no idea whether any of the Defendants sell, disclose, re-disclose, or otherwise disseminate their biometric data. Moreover, Plaintiff and others similarly situated are not told to whom any of the Defendants currently disclose their biometric data, or what might happen to their biometric data in the event of a merger or a bankruptcy.

47. These violations have raised a material risk that Plaintiff and other similarly-situated individuals' biometric data will be unlawfully accessed by third parties.

48. By and through the actions detailed above, Defendants disregarded Plaintiff's and other similarly-situated individuals' legal rights in violation of BIPA.

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III. Plaintiff Yana Mazya's Experience

49. Plaintiff worked for Northwestern as a registered nurse at Northwestern Memorial Lake Forest Hospital, which is located at 1000 N Westmoreland Road, Lake Forest, Illinois 60045 from November 12, 2012 until December 4, 2017.

50. As a new employee, Plaintiff was required to scan her fingerprint so Northwestern could use it as an authorization method to allow access to stored materials at NLFH, namely medications, to administer to patients. (*See* Ex. A).

51. Upon information and belief, each Defendant subsequently stored Plaintiff's fingerprint data in their database(s).

52. Each time Plaintiff needed to gain access to stored materials, she was required to scan her fingerprint.

53. Plaintiff has never been informed of the specific limited purposes or length of time for which any Defendant collected, stored, used and/or disseminated her biometric data.

54. Plaintiff has never been informed of any biometric data retention policy developed by any Defendant, nor has she ever been informed of whether any Defendant will ever permanently delete her biometric data.

55. Plaintiff has never been informed that her biometric data was being shared with Omnicell, BD and/or any other third-party vendors.

56. Plaintiff has never been provided with nor ever signed a written release allowing any Defendant to collect, store, use or disseminate her biometric data.

57. Plaintiff has continuously and repeatedly been exposed to the risks and harmful conditions created by Defendants' violations of BIPA alleged herein.

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58. Unlike a social security number that can be changed, no amount of time or money can compensate Plaintiff if her biometric data is compromised by the lax procedures through which Defendants captured, stored, used, and disseminated her and other similarly-situated individuals' biometrics, and Plaintiff would not have provided her biometric data to Northwestern if she had known that they would retain such information for an indefinite period of time without her consent.

59. A showing of actual damages is not necessary in order to state a claim under BIPA. Nonetheless, Plaintiff has been aggrieved because she suffered an injury-in-fact based on Defendants' violations of her legal rights. Additionally, Plaintiff suffered an invasion of a legally protected interest when Defendants secured her personal and private biometric data at a time when they had no right to do so, a gross invasion of her right to privacy. BIPA protects workers like Plaintiff from this precise conduct, and Defendants had no lawful right to secure this data or share it with third parties absent a specific legislative license to do so.

60. Plaintiff also suffered an injury in fact because each Defendant improperly disseminated her biometric identifiers and/or biometric information to third parties, including but not limited to Omnicell, BD and any other third party that hosted the biometric data in their data centers, in violation of BIPA.

61. Plaintiff's biometric information is economically valuable, and such value will increase as the commercialization of biometrics continues to grow. As such, Plaintiff was not sufficiently compensated by any of the Defendants for their retention and use of her biometric data. Plaintiff would not have agreed to work for Northwestern for the compensation she received if she had known that it would retain her biometric data indefinitely and disseminate it to Omnicell and BD without adequate compensation to Plaintiff.

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62. Plaintiff also suffered an informational injury because Defendants failed to provide her with information to which she was entitled by statute. Through BIPA, the Illinois legislature has created both an injury. An employee has the right to receive certain information prior to an employer securing their highly personal, private and proprietary biometric data. Conversely, the employee suffers injury when he or she does not receive this extremely critical information.

63. Pursuant to 740 ILCS 14/15(b), Plaintiff was entitled to receive certain information prior to Defendants securing her biometric data. Namely, Plaintiff was entitled to information advising her of the specific limited purpose(s) and length of time for which each Defendant collects, stores, uses and disseminates her private biometric data; information regarding each Defendant's biometric retention policy; and, a written release allowing each Defendant to collect, store and use her private biometric data. By depriving Plaintiff of this information, Defendants injured her. *Public Citizen v. U.S. Department of Justice*, 491 U.S. 440, 449 (1989); *Federal Election Commission v. Akins*, 524 U.S. 11 (1998).

64. Finally, as a result of Defendants' conduct, Plaintiff has experienced personal injury in the form of mental anguish. For example, Plaintiff experiences mental anguish and injury when contemplating what would happen to her biometric data if any of the Defendants went bankrupt, whether any of the Defendants will ever delete her biometric information, and whether (and to whom) any of the Defendants share her biometric information.

65. Plaintiff has plausibly inferred actual and ongoing harm in the form of monetary damages for the value of the collection and retention of her biometric data; in the form of monetary damages by not obtaining additional compensation as a result of being denied access to material information about Defendants' policies and practices; in the form of the unauthorized disclosure

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of her confidential biometric data to third parties; and in the form of the continuous and ongoing exposure to substantial and irreversible loss of privacy.

66. As Plaintiff is not required to allege or prove actual damages in order to state a claim under BIPA, she seeks statutory damages under BIPA as compensation for the injuries caused by Defendants.

CLASS ALLEGATIONS

67. Pursuant to the Illinois Code of Civil Procedure, 735 ILCS 5/2-801, Named Plaintiff brings claims on her own behalf and as a representative of all other similarly-situated individuals pursuant to BIPA, 740 ILCS 14/1, *et seq.*, to recover statutory penalties, prejudgment interest, attorneys' fees and costs, and other damages owed.

68. As discussed *supra*, Section 14/15(b) of BIPA prohibits a company from, among other things, collecting, capturing, purchasing, receiving through trade, or otherwise obtaining a person's or a customer's biometric identifiers or biometric information, unless it first (1) informs the individual in writing that a biometric identifier or biometric information is being collected or stored; (2) informs the individual in writing of the specific purpose and length of time for which a biometric identifier or biometric information is being collected, stored, and used; *and* (3) receives a written release executed by the subject of the biometric identifier or biometric information. 740 ILCS 14/15.

69. Plaintiff seeks class certification under the Illinois Code of Civil Procedure, 735 ILCS 5/2-801, for the following class of similarly situated workers under BIPA:

All individuals working for Northwestern in the State of Illinois who had their fingerprints collected, captured, received, or otherwise obtained or disclosed by any Defendant during the applicable statutory period.

70. This action is properly maintained as a class action under 735 ILCS 5/2-801

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because:

- A. The class is so numerous that joinder of all members is impracticable;
- B. There are questions of law or fact that are common to the class;
- C. The claims of the Plaintiff are typical of the claims of the class; and,
- D. The Plaintiff will fairly and adequately protect the interests of the class.

Numerosity

71. The total number of putative class members exceeds fifty (50) individuals. The exact number of class members may easily be determined from Northwestern's database.

Commonality

72. There is a well-defined commonality of interest in the substantial questions of law and fact concerning and affecting the Class in that Plaintiff and all members of the Class have been harmed by Defendants' failure to comply with BIPA. The common questions of law and fact include, but not limited to the following:

- A. Whether any Defendant collected, captured or otherwise obtained Plaintiff's and the Class's biometric identifiers or biometric information;
- B. Whether any Defendant properly informed Plaintiff and the Class of its purposes for collecting, using, and storing their biometric identifiers or biometric information;
- C. Whether any Defendant obtained a written release (as defined in 740 ILCS 14/10) to collect, use, and store Plaintiff's and the Class's biometric identifiers or biometric information;
- D. Whether any Defendant has disclosed or re-disclosed Plaintiff's and the Class's biometric identifiers or biometric information;
- E. Whether any Defendant has sold, leased, traded, or otherwise profited from Plaintiff's and the Class's biometric identifiers or biometric information;
- F. Whether any Defendant developed a written policy, made available to the public, establishing a retention schedule and guidelines for permanently destroying biometric identifiers and biometric information when the initial purpose for collecting or obtaining such identifiers or information has been

satisfied or within three years of their last interaction, whichever occurs first;

- G. Whether any Defendant complies with any such written policy (if one exists);
- H. Whether any Defendant's violations of BIPA have raised a material risk that Plaintiff's and the putative Class' biometric data will be unlawfully accessed by third parties;
- I. Whether any Defendant used Plaintiff's and the Class's fingerprints to identify them; and
- J. Whether the violations of BIPA were committed negligently; and
- K. Whether the violations of BIPA were committed willfully.

73. Plaintiff anticipates that Defendants will raise defenses that are common to the class.

Adequacy

74. Plaintiff will fairly and adequately protect the interests of all members of the class, and there are no known conflicts of interest Plaintiff and class members. Plaintiff, moreover, has retained experienced counsel that are competent in the prosecution of complex litigation and who have extensive experience acting as class counsel.

Typicality

75. The claims asserted by Plaintiff are typical of the class members she seeks to represent. Plaintiff has the same interests and suffers from the same unlawful practices as the class members.

76. Upon information and belief, there are no other class members who have an interest individually controlling the prosecution of his or her individual claims, especially in light of the relatively small value of each claim and the difficulties involved in bringing individual litigation against one's employer. However, if any such class member should become known, he or she can

“opt out” of this action pursuant to 735 ILCS 5/2-801.

Predominance and Superiority

77. The common questions identified above predominate over any individual issues, which will relate solely to the quantum of relief due to individual class members. A class action is superior to other available means for the fair and efficient adjudication of this controversy because individual joinder of the parties is impracticable. Class action treatment will allow a large number of similarly-situated persons to prosecute their common claims in a single forum simultaneously, efficiently and without the unnecessary duplication of effort and expense if these claims were brought individually. Moreover, as the damages suffered by each class member are relatively small in the sense pertinent to class action analysis, the expenses and burden of individual litigation would make it difficult for individual class members to vindicate their claims.

78. Additionally, important public interests will be served by addressing the matter as a class action. The cost to the court system and the public for the adjudication of individual litigation and claims would be substantially more than if claims are treated as a class action. Prosecution of separate actions by individual class members would create a risk of inconsistent and varying adjudications, establish incompatible standards of conduct for Defendants and/or substantially impair or impede the ability of class members to protect their interests. The issues in this action can be decided by means of common, class-wide proof. In addition, if appropriate, the Court can and is empowered to fashion methods to efficiently manage this action as a class action.

FIRST CAUSE OF ACTION
Violation of 740 ILCS 14/1, *et seq.*
(On Behalf of Plaintiff and the Class)

79. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

80. BIPA requires companies to obtain informed written consent from workers before acquiring their biometric data. Specifically, BIPA makes it unlawful for any private entity to “collect, capture, purchase, receive through trade, or otherwise obtain a person’s or a customer’s biometric identifiers or biometric information unless [the entity] first: (1) informs the subject...in writing that a biometric identifier or biometric information is being collected or stored; (2) informs the subject...in writing of the specific purpose and length of term for which a biometric identifier or biometric information is being collected, stored, and used; *and* (3) receives a written release executed by the subject of the biometric identifier or biometric information...” 740 ILCS 14/15(b) (emphasis added).

81. BIPA also prohibits private entities from disclosing a person’s or customer’s biometric identifier or biometric information without first obtaining consent for that disclosure. *See* 740 ILCS 14/15(d)(1).

82. Furthermore, BIPA mandates that companies in possession of biometric data establish and maintain a satisfactory biometric data retention – and, importantly, deletion – policy. Specifically, those companies must: (i) make publicly available a written policy establishing a retention schedule and guidelines for permanent deletion of biometric data (at most three years after the company’s last interaction with the customer); and (ii) actually adhere to that retention schedule and actually delete the biometric information. *See* 740 ILCS 14/15(a).

83. Each Defendant fails to comply with these BIPA mandates.

84. Defendant NLFH is registered to do business in Illinois and thus qualifies as a “private entity” under BIPA. *See* 740 ILCS 14/10.

85. Defendant NMH is registered to do business in Illinois and thus qualifies as a “private entity” under BIPA. *See* 740 ILCS 14/10.

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86. Defendant Omnicell, Inc. is a Delaware corporation registered to do business in Illinois and thus qualifies as a “private entity” under BIPA. *See* 740 ILCS 14/10.

87. Defendant Becton Dickinson is a New Jersey corporation registered to do business in Illinois and thus qualifies as a “private entity” under BIPA. *See* 740 ILCS 14/10.

88. Plaintiff is an individual who had her “biometric identifiers” collected by each Defendant (in the form of her fingerprints), as explained in detail in Section II, *supra*. *See* 740 ILCS 14/10.

89. Plaintiff’s biometric identifiers were used to identify her and, therefore, constitute “biometric information” as defined by BIPA. *See* 740 ILCS 14/10.

90. Each Defendant systematically and automatically collected, used, stored, and disclosed Plaintiff’s biometric identifiers and/or biometric information without first obtaining the written release required by 740 ILCS 14/15(b)(3).

91. Upon information and belief, Northwestern systematically disclosed Plaintiff’s biometric identifiers and biometric information to at least two out-of-state third-party vendors, Omnicell and BD.

92. None of the Defendants informed Plaintiff in writing that her biometric identifiers or biometric information were being collected, stored, used and disseminated, nor did any Defendant inform Plaintiff in writing of the specific purpose and length of term for which her biometric identifiers and/or biometric information were being collected, stored, used and disseminated as required by 740 ILCS 14/15(b)(1)-(2).

93. Defendants do not provide a publicly available retention schedule or guidelines for permanently destroying biometric identifiers and biometric information as specified by BIPA. *See* 740 ILCS 14/15(a).

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94. By collecting, storing, and using Plaintiff's and the Class's biometric identifiers and biometric information as described herein, Defendants violated Plaintiff's and the Class's rights to privacy in their biometric identifiers or biometric information as set forth in BIPA. *See* 740 ILCS 14/1, *et seq.*

95. Upon information and belief, each Defendant lacks retention schedules and guidelines for permanently destroying Plaintiff's and the Class' biometric data and has not and will not destroy Plaintiff's or the Class' biometric data when the initial purpose for collecting or obtaining such data has been satisfied or within three years of the worker's last interaction with the company.

96. These violations have raised a material risk that Plaintiff's and the Class's biometric data will be unlawfully accessed by third parties.

97. On behalf of herself and the Class, Plaintiff seeks: (1) declaratory relief; (2) injunctive and equitable relief as is necessary to protect the interests of Plaintiff and the Class by requiring Defendants to comply with BIPA's requirements for the collection, storage, and use of biometric identifiers and biometric information as described herein; (3) statutory damages of \$5,000 for each willful and/or reckless violation of BIPA pursuant to 740 ILCS 14/20(2) or, in the alternative, statutory damages of \$1,000 for each negligent violation of BIPA pursuant to 740 ILCS 14/20(1); and (4) reasonable attorneys' fees and costs and other litigation expenses pursuant to 740 ILCS 14/20(3).

SECOND CAUSE OF ACTION
Negligence
(On Behalf of Plaintiff and the Class)

98. Plaintiff incorporates the foregoing allegations as if fully set forth herein.

99. Each Defendant owed Plaintiff and the Class a duty of reasonable care. Such duty required Defendants to exercise reasonable care in the collection and use of Plaintiff's and the Class's biometric data.

100. Additionally, Northwestern owed Plaintiff and the Class a heightened duty – under which it assumed a duty to act carefully and not put Plaintiff and the Class at undue risk of harm – because of the employment relationship of the parties.

101. Each Defendant breached its duty by failing to implement reasonable procedural safeguards around the collection and use of Plaintiff's and the Class's biometric identifiers and biometric information.

102. Specifically, each Defendant breached its duties by failing to properly inform Plaintiff and the Class in writing of the specific purpose or length for which their fingerprints were being collected, stored, used and disseminated.

103. Each Defendant also breached its duties by failing to provide a publicly available retention schedule and guidelines for permanently destroying Plaintiff's and the Class's fingerprint data.

104. Upon information and belief, each Defendant breached its duties because it lack retention schedules and guidelines for permanently destroying Plaintiff's and the Class's biometric data and has not and will not destroy Plaintiff's and the Class's biometric data when the initial purpose for collecting or obtaining such data has been satisfied or within three years of the worker's last interaction with the company.

105. These violations have raised a material risk that Plaintiff's and the Class's biometric data will be unlawfully accessed by third parties.

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106. Each Defendant's breach of its duties proximately caused and continues to cause an invasion of Plaintiff's and the Class's privacy, an informational injury, and mental anguish, in addition to the statutory damage provided in BIPA.

107. Accordingly, Plaintiff seeks an order declaring that each Defendant's conduct constitutes negligence and awarding Plaintiff and the Class damages in an amount to be calculated at trial.

PRAYER FOR RELIEF

Wherefore, Plaintiff Yana Mazya respectfully requests that this Court enter an Order:

- A. Certifying this case as a class action on behalf of the Class defined above, appointing Plaintiff Yana Mazya as Class Representative, and appointing Stephan Zouras, LLP, as Class Counsel;
- B. Declaring that Defendants' actions, as set forth above, violate BIPA;
- C. Awarding statutory damages of \$5,000 for *each* willful and/or reckless violation of BIPA pursuant to 740 ILCS 14/20(2) or, in the alternative, statutory damages of \$1,000 for *each* negligent violation of BIPA pursuant to 740 ILCS 14/20(1);
- D. Declaring that Defendants' actions, as set forth above, constitute negligence;
- E. Declaring that Defendants' actions, as set forth above, were willful;
- F. Awarding injunctive and other equitable relief as is necessary to protect the interests of Plaintiff and the Class, including an Order requiring Defendants to collect, store, use and disseminate biometric identifiers or biometric information in compliance with BIPA;
- G. Awarding Plaintiff and the Class their reasonable attorneys' fees and costs and other litigation expenses pursuant to 740 ILCS 14/20(3);
- H. Awarding Plaintiff and the Class pre- and post-judgment interest, to the extent allowable; and,
- I. Awarding such other and further relief as equity and justice may require.

JURY TRIAL

Plaintiff demands a trial by jury for all issues so triable.

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Date: June 6, 2018

Respectfully Submitted,

/s/ Catherine T. Mitchell

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CERTIFICATE OF SERVICE

I, the attorney, hereby certify that on June 6, 2018, I electronically filed the attached with the Clerk of the Court using the electronic filing system which will send such filing to all attorneys of record.

/s/ Catherine T. Mitchell

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